



**STANROSE MAFATLAL  
INVESTMENTS AND FINANCE LIMITED**

**35<sup>th</sup>**

**ANNUAL REPORT 2014-2015**

# STANROSE MAFATLAL

## INVESTMENTS AND FINANCE LIMITED

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Attendance Slip		<b>CORPORATE OFFICE</b> VIJYALAXMI MAFATLAL CENTRE 57-A, DR. G. DESHMUKH MARG, MUMBAI-400 026
<b>STATUTORY AUDITORS</b> C. C. CHOKSHI & COMPANY Chartered Accountants		<b>SHARE TRANSFER AGENT</b> LINK INTIME INDIA PVT. LTD., Unit No. 303, 3rd Floor, Shopper's Plaza V, Opp. Municipal Market, Off. C.G.Road, Ahmedabad - 380 009. Tel. 079 26465179 Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> Web site: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
<b>SECRETARIAL AUDITORS</b> MANOJ HURKAT & ASSOCIATES Company Secretaries		
<b>REGISTERED OFFICE</b> POPULAR HOUSE, ASHRAM ROAD AHMEDABAD-380 009 Email: <a href="mailto:info@stanroseinvest.com">info@stanroseinvest.com</a> Website: <a href="http://www.stanroseinvest.com">www.stanroseinvest.com</a>		
<b>LISTED ON : BSE, CODE : 506105</b>		
<b>DEMAT CODE : ISIN : INE441L01015</b>		

Shareholders intending to require any information about the accounts to be explained in the Meeting are requested to inform the Company at least ten days in advance of the Annual General Meeting.

Thirty-Fifth Annual General Meeting on 12th August, 2015 at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058.



**DIRECTORS' REPORT**

To  
The Members,  
**STANROSE MAFATLAL INVESTMENTS AND  
FINANCE LIMITED**

Your Directors have pleasure in presenting the Thirty-fifth Annual Report together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2015.

**FINANCIAL RESULTS:**

	<i>(Rupees in Lacs)</i>	
	<b>Current Year</b>	<i>Previous Year</i>
	<b>Rupees</b>	<i>Rupees</i>
Total Income	<b>1071.88</b>	<i>730.63</i>
Gross Profit	<b>735.91</b>	<i>408.37</i>
Less: Depreciation	<b>36.11</b>	<i>24.03</i>
Profit before Tax	<b>699.80</b>	<i>384.34</i>
Less: Provision for Taxation	<b>112.17</b>	<i>53.50</i>
<i>Short Provision for taxation in respect of earlier years (Net)</i>	<b>107.14</b>	<i>-</i>
Profit after Tax	<b>480.49</b>	<i>330.84</i>
Add: Profit brought forward from Previous Year	<b>1140.75</b>	<i>1164.06</i>
Balance Available for Appropriations	<b>1621.24</b>	<i>1494.90</i>
Less: Transfer to Reserve u/s. 45 IC of RBI Act, 1934	<b>96.50</b>	<i>66.50</i>
Transfer to General Reserve-I	<b>5.75</b>	<i>33.25</i>
Transfer to General Reserve-II	<b>4.02</b>	<i>-</i>
Proposed Dividend	<b>238.08</b>	<i>238.08</i>
Tax on Dividend	<b>48.46</b>	<i>40.46</i>
Add: Transfer from General Reserve II (for diminution of certain Non-current Investments)	<b>-</b>	<i>24.13</i>
Balance carried forward	<b><u>1228.43</u></b>	<i><u>1140.74</u></i>

**DIVIDEND**

Your Directors recommend a Dividend of Rs. 6/- (Previous Year Rs.6/-) per share on 39,67,920 Equity Shares of Rs.10 each aggregating to Rs. 286.54 Lacs (inclusive of dividend tax) for the financial year ended on 31st March, 2015. If approved by the Shareholders at the forthcoming Annual General Meeting to be held on 12th August, 2015, the said dividend will be paid on 24th August, 2015 or thereafter, to (i) those shareholders whose names appear on the Register of Members of the Company on 5th August, 2015 and (ii) those whose names as beneficial owners are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, for the purpose.

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)****FINANCIAL REVIEW**

The total income for the year was Rs. 1071.88 Lacs as

compared to Rs.730.63 Lacs in the previous year. Depreciation was Rs. 36.11 Lacs (Previous Year Rs. 24.03 Lacs). The increase in depreciation is mainly on account of change in charging provisions under the Companies Act, 2013, based on useful life of asset instead of fixed percentage under the Companies Act, 1956. The Provision for Taxation: (i) for the year under report was Rs.112.16 Lacs and (ii) Short Provision in respect of earlier years (net) was Rs.107.14 Lacs. Whereas the amount of Contingent Liabilities not provided for in respect of disputed demands of Income-tax as at 31st March, 2015 stood reduced to Rs.4.99 Lacs as against Rs.153.11 Lacs as at 31st March, 2014. Profit after tax was Rs. 480.49 Lacs. The total income and the profit for the year are higher, mainly on account of higher booking of profit on sale of non-current investments by Rs.247.56 Lacs and increase in interest income on Inter Corporate Financing by Rs.93.14 Lacs.

An amount of Rs.96.50 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45 IC of RBI Act, 1934, an amount of Rs.5.75 Lacs was transferred to General Reserve I and Rs.4.02 Lacs to General Reserve II, during the year under review.

The Net Worth of the Company as at 31st March, 2015 stood at Rs. 5001.20 Lacs as against Rs.4807.25 Lacs on 31st March, 2014.

**NBFC INDUSTRY**

The NBFC (Non-Banking Finance Company) sector has evolved considerably in terms of its size, operations, technological sophistication, and entry into newer areas of financial services and products. NBFCs are now deeply interconnected with the entities in the financial sector, on both sides of their balance sheets. Being financial entities, they are exposed to risks arising out of counterparty failures, funding and asset concentration, interest rate movement and risks pertaining to liquidity and solvency, as any other financial sector player.

**Business Review**

The Company's operations continue to be mainly focused in the areas of Inter- corporate Investments, Capital Market activities and Financing. Segment-wise brief outline of financial and operational performance during the year under report is as under:

**(i) Investments**

The Company's investment portfolio is reviewed from time to time to buy securities to add to the Portfolio or to sell in order to make Capital gains. Details of the Company's investments are given under Note No. 7 to Financial Statements of the Company for the year ended as at 31st March, 2015. The total worth of Company's Quoted and Unquoted Investments in Shares and Securities (Including Stock-in-trade) as at 31st March, 2015 is Rs.5404.98 Lacs (Previous Year Rs.4359.63 Lacs) which is

128.82% (Previous Year 55.16%) higher than related Book Value. The increase in appreciation of Book Value of portfolio from 55.16% to 128.82% is mainly on account of overall increase in market capitalization.

During the year under report the Company:

- (a) has made disinvestment of Rs.456.91 Lacs from its Non-current Quoted Equity Investments as against Rs.37.59 Lacs in the previous year.
- (b) booked a net profit of Rs.727.90 Lacs on sale of Non-Current investments as against Rs. 480.34 Lacs in the previous year.
- (c) earned income by way of Dividend of Rs.123.06 Lacs against Rs.129.68 Lacs in the previous year which inter alia includes Rs.93.03 Lacs (Previous year Rs.93.03 Lacs) received from Standard Industries Ltd.

After the close of the Financial Year ended on March 31, 2015, the Company has booked Net Capital Gain of Rs.106.68 Lacs on sale of certain Non-Current Investments in shares of the aggregate book value of Rs.12.33 Lacs.

#### **(ii) Trading in Securities**

During the year under review, the Company made a profit from trading in securities of Rs. 20.20 Lacs (Previous Year Rs. 14.01 Lacs), mainly on redemption of Units held in Mutual Funds.

#### **(iii) Finance**

- (a) Interest on Inter-corporate Deposit:

During the year under report the Company earned interest income on Inter Corporate Deposits of Rs.119.56 Lacs as against Rs.105.76 Lacs in the previous year.

- (b) Interest on Real Estate Exposure:

Till last year no income was earned on the amount provided as loan to Stan Plaza Limited (SPL) for taking exposure in real estate business on behalf of the Company. During the year, SPL got credit on the amount it extended to a real estate business company on our behalf. Accordingly SPL gave credit of Rs.79.34 Lacs as interest to the Company as per mutual understanding.

During the year, the Company on taking additional exposure to the extent of balance 50% share of Standard Industries Ltd. (SIL), has become the sole beneficial owner of the stake held by SPL in a real estate business company besides SPL holding land at Pune for and on behalf of the Company and SIL equally.

#### **Opportunities and Threats**

As various factors are posing constant threats and high volatility in the Capital Markets, it appears beneficial to diversify the portfolio to reduce the risk and insulate from the vagaries of stock-market. Mutual Funds help to reduce risk through diversification and professional management and therefore, the Company invests its surplus funds in debt/equity oriented Mutual Funds. One of the biggest advantages of Mutual Fund investment is Liquidity. Open-end funds provide option to redeem on demand, which is beneficial during rising or falling markets. The management is exploring other avenues of business.

#### **Outlook**

The Company intends to continue focusing on capital market activities including trading in securities and emerging products in derivatives.

#### **Risk and Concern**

The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk. The Company has quoted investments which are exposed to fluctuations in stock prices. These investments represent a material portion of the Company's business and are vulnerable to fluctuations in the stock markets. Any decline in prices of the Company's quoted investments may affect its financial position and the results of its operations. It continuously monitors its market exposure and tries to manage these risks by following prudent business and risk management practices.

#### **Adequacy of Internal Control**

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently. The Internal control is supplemented by an effective internal audit being carried out by an external firm of Chartered Accountants.

The Company ensures adherence to all internal control policies and procedures as well as compliances with all regulatory guidelines.

The Audit Committee of the Board of Directors reviews the adequacy of internal controls.

#### **Human Resources**

Relations remained cordial with employees at all levels during the year.

#### **CORPORATE GOVERNANCE**

During the year under Report SEBI introduced revised Clause 49 in the Listing Agreement. The Company has

## **STANROSE MAFATLAL**

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complied with applicable provisions of Corporate Governance under Clause 49 of the Listing Agreement with BSE. A separate report on Corporate Governance compliance is included as a part of the Annual Report along with the Auditors' Certificate.

### **FIXED DEPOSITS**

Your Company has not accepted any public deposits during the year under review.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed and that there are no material departures from the same;
2. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit for the year ended on that date;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Annual Accounts for the Financial Year ended 31st March, 2015 have been prepared on a 'going concern' basis.
5. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. Proper systems devised to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **SUBSIDIARY COMPANY**

As reported hereinabove, since substantial part of the assets standing in the name of Stan Plaza Limited (SPL) are now beneficially owned by the Company, during the year under Report, the Company has taken it over as its wholly owned subsidiary from Standard Industries Limited (SIL).

SPL is a Non-Listed Company. The total investment (exposure) of the Company in SPL being in excess of 20% of the consolidated Net Worth of the Company, SPL shall be termed as our material subsidiary under the Listing Agreement.

Stanrose Mafatlal Lubechem Limited - In Liquidation, a substantially owned subsidiary of the Company was ordered to wind-up by the High Court of Mumbai vide its Order dated June 10, 2011 and appointed the Official Liquidator to take charge of its Assets, Bank Accounts, Books of Accounts, Affairs, Business and Properties with all powers under the provisions of the Companies Act, 1956.

In compliance with the requirements of the provisions of Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014, a Statement in *Form AOC-1* containing the salient features of financial statements in respect of Stan Plaza Limited, a wholly owned subsidiary of the Company has been included as a part of this Annual Report. Stanrose Mafatlal Lubechem Limited being inoperative, its details are not disclosed in Form AOC-1.

The Company has framed a 'Policy for Determining Material Subsidiaries' for identifying material subsidiaries and to provide governance framework for such material subsidiaries. The policy is available on the website of the Company viz. [www.stanroseinvest.com](http://www.stanroseinvest.com).

### **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements (CFS) of the Company and its wholly owned subsidiary Company viz. Stan Plaza Limited (SPL) are prepared in accordance with the provisions of Schedule III of the Companies Act, 2013 and relevant Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable to the Company and form part of this Annual Report. These Statements have been prepared on the basis of audited financial statements received from SPL as approved by its Board. Stanrose Mafatlal Lubechem Ltd., a substantially owned subsidiary Company being inoperative, its financial statements are not considered in preparation of CFS.

### **DIRECTORATE**

During the year, the Board of Directors appointed Mrs. Datta Bharat Dave (DIN 06990663) as an Additional Director of the Company. She being the spouse of Shri Bharat N. Dave, CEO of the Company, is treated as a Non-Independent Director and being eligible, necessary Resolution for her re-appointment as a Director of the Company is being put up at the forthcoming Annual General Meeting, for the approval of the Members.

As reported last year, Shri Chetan J. Parikh resigned from the directorship of the Company with effect from 13th May, 2014, in view of his commitments abroad.

In terms of Section 152 of the Companies Act, 2013, Shri Kersi J. Pardiwalla, a Non-Independent, Non-Executive Director of the Company is retiring by rotation and being eligible offers himself for re-appointment.

Brief resumes of Mrs Dave and Mr. Pardiwalla, as required under Clause 49 of the Listing Agreement, are

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covered in the notes of the Notice of the 35th AGM of the Company.

All Independent Directors have given their declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

None of the Directors of the Company is disqualified from being appointed or re-appointed as a Director as specified under Section 164 of the Companies Act, 2013.

### KEY MANAGERIAL PERSONNEL

During the year under Report, the Company has appointed three Key Managerial Personnel, viz. Shri Bharat N. Dave, Chief Executive Officer, Shri Girish R. Shah, Vice President (Legal) & Company Secretary and Shri Harshad V. Mehta, Chief Financial Officer, to inter alia shoulder the responsibilities in their respective fields as envisaged under the provisions of the Companies Act, 2013.

### FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

During the year under Report, the Board of Directors has adopted the Familiarization Programme for Independent Directors of the Company and posted the same on the website of the Company viz. [www.stanroseinvest.com](http://www.stanroseinvest.com). The Programme aims to provide insights into the Company to enable the Independent Directors to understand and significantly contribute to its business.

### AUDITORS AND AUDITORS' REPORT

#### STATUTORY AUDITORS

At the last AGM, M/s. C. C. Chokshi & Co., Chartered Accountants, were reappointed as the Statutory Auditors of the Company to hold office from the conclusion of that Meeting to the conclusion of the fourth consecutive Annual General Meeting (subject to ratification of the appointment by the members at every AGM held after that AGM). The Company has received a letter from them to the effect that their appointment, if ratified, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

#### SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Manoj Hurkat and Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The *Secretarial Audit Report* is annexed herewith as "Annexure A".

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956/2013, Reserve Bank of India Act, 1934, Non-Banking Financial (Non-Deposit Accepting or

Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, Listing Agreement with the Stock Exchange, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and various Regulations and Guidelines as applicable to the Company.;

### CORPORATE SOCIAL RESPONSIBILITY

As part of its initiative under Corporate Social Responsibility (CSR), the Board of Directors has constituted a Corporate Social Responsibility Committee comprising of Shri Shri Madhusudan J. Mehta as Chairman, Shri Framroz M. Pardiwalla and Smt. Datta B. Dave, as other members. Since the Net Profit for the year ended 31st March, 2015 is more than Rs. 5 crores, it will now comply with the relevant provisions of the Act, in due course.

### NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors at its Meeting held on 2nd August, 2014 constituted a Nomination and Remuneration Committee comprising of Shri Framroz M. Pardiwalla as Chairman, Shri Russi Jal Taraporevala and Shri Kersi J. Pardiwalla, as other members. The role and responsibilities, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other related matters are in conformity with the requirements of the Companies Act, 2013 and the Listing Agreement.

### AUDIT COMMITTEE

The Board of Directors at its meeting held on 2nd August, 2014 re-constituted the Audit Committee, comprising of four Independent Non-Executive Directors, viz. Shri Framroz M. Pardiwalla, Chairman, Shri Arun P. Patel, Shri Rajesh Jaykrishna and Shri Russi Jal Taraporevala. The Scope of Audit Committee is enhanced in accordance with the Companies Act, 2013 and the Listing Agreement. The information relating to its term of reference, no. of meetings held and attendance, etc. during the year under report, are provided in the Corporate Governance Report.

### EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

A detailed exercise for evaluation of the performance of the Board, its various Committees, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Share Transfer Committee as also the performance of individual Directors was carried out by the Board. The performance of the Board and that of its Committees was evaluated on the basis of various parameters like adequacy of its Composition, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance, etc. Whereas the

## **STANROSE MAFATLAL**

evaluation of individual Directors and that of the Chairman of the Board was on the basis of various factors like their attendance, level of their engagement and contribution, independency of judgment, their contribution in safeguarding the interest of the Company, etc. The Board recorded its satisfaction over the performance of its various Committees, its directors individually as well as the collective efforts put in by the Board in enhancing and safeguarding the interest of the Company as a whole.

### **DISCLOSURE OF RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES' REMUNERATION, ETC.**

The particulars of ratio of remuneration of each director to median remuneration of the employees of the Company for the financial year under report, percentage increase in remuneration to each Director and KMP, etc. more particularly described under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in "Annexure B" to this Report.

### **PARTICULARS OF LOANS AND INVESTMENTS**

The Company being a Non-Banking Financial Company registered with Reserve Bank of India with the principal business, inter alia, of Inter-Corporate Financing, the provisions of Section 186 except sub-section (1) of the Companies Act, 2013 (the Act) are not applicable to it. Hence no particulars thereof as envisaged under Section 134(3)(g) of the Act are covered in this Report.

### **RELATED PARTY TRANSACTIONS**

The particulars of contracts or arrangements entered into by the Company with related parties which are subsisting during the year under Report are provided under "Annexure C" in Form AOC - 2. The Company has framed a 'Policy on Related Party Transactions' for determining related parties, transactions on arm's length basis and procedures to be followed for obtaining various approvals, etc. The policy is available on the website of the company viz. [www.stanroseinvest.com](http://www.stanroseinvest.com).

### **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

Pursuant to the requirement under Section 134(3) of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014:

- (a) The Company has no activity involving conservation of energy or technology absorption.
- (b) The Company does not have any Foreign Exchange Earnings.
- (c) Outgo under Foreign Exchange - Rs.11.86 Lacs.

### **SEXUAL HARASSMENT**

Entire staff in the Company is working in a most congenial manner and there are no occurrences of any incidents of sexual harassment during the year.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Board during the year under report approved and adopted "Vigil Mechanism/Whistle Blower Policy" in the Company. The Brief details of establishment of this Policy are provided in the Corporate Governance Report.

### **RISK MANAGEMENT POLICY**

The Company was already having risk management system to identify, evaluate and minimize the Business risks. The Company during the year had formalized the same by formulating and adopting Risk Management Policy. This policy intends to identify, evaluate, monitor and minimize the identifiable risks in the Organisation.

### **EXTRACT OF ANNUAL RETURN**

The extract of the Annual Return in Form MGT 9 is provided in "Annexure D" to this Report.

### **PARTICULARS OF EMPLOYEES**

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **ACKNOWLEDGEMENTS**

Your Directors sincerely express their deep appreciation to employees at all levels, bankers, customers and shareholders for their sustained support and co-operation and hope that the same will continue in future.

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
Chairman

**Place:** Mumbai

**Dated:** 29th May, 2015.



## ANNEXURE 'A' TO DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of

#### STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

6th Floor, Popular House, Ashram Road,  
Ahmedabad - 380009

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of :

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange

Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India could not be examined as the same were not notified during the audit period.
- II. The Equity Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- VI. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (a) The Reserve Bank of India Act, 1934 and applicable NBFC Regulations.
- (b) The Prevention of Money Laundering Act, 2002.

## STANROSE MAFATLAL

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following event/action has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

The Company has acquired Equity shares of Stan Plaza Limited from Standards Industries Limited pursuant to Share Purchase Agreement dated 13th March, 2015, making Stan Plaza Limited, a wholly owned subsidiary of the Company.

For **MANOJ HURKAT AND ASSOCIATES**

Practicing Company Secretaries

Place: Ahmedabad

MANOJ R HURKAT

Date: 29th May, 2015

Partner

FCS No. 4287, C P No.: 2574

## ANNEXURE 'B' TO DIRECTORS' REPORT

**Disclosure of Ratio of Remuneration of each Director to the Median Employee's Remuneration, the Percentage increase in Remuneration of each Director, Chief Executive Officer, Company Secretary and Chief Financial Officer, etc. for the Financial Year ended 31st March, 2015.**

Names and Positions	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase in Remuneration
(i) Shri Pradeep R. Mafatlal, Chairman	2.36 : 1	20.19
(ii) Shri Russi Jal Taraporevala, Director	0.36 : 1	11.76
(iii) Shri Arun P. Patel, Director	0.40 : 1	5.00
(iv) Shri Rajesh Jaykrishna, Director	0.40 : 1	16.67
(v) Shri Chetan J. Parikh, Director (upto 13th May, 2014)	0.30 : 1	-
(vi) Shri Kersi J. Pardiwalla, Director	0.42 : 1	22.22
(vii) Shri Madhusudan J. Mehta, Director	0.42 : 1	29.41
(viii) Shri Framroz M. Pardiwalla, Director	0.51 : 1	22.73
(ix) Smt. Datta Bharat Dave, Director (w.e.f. 1st November, 2014)	-	-
(x) Shri Bharat N. Dave, CEO		*
(xi) Shri Girish R. Shah, CS		16.06
(xii) Shri Harshad V. Mehta, CFO		6.27

\* Not applicable. Shri Bharat N. Dave was appointed as CEO-KMP w.e.f. 13.5.2014. In the earlier period / year, he was not in the employment but was a retainer as Financial Advisor of the Company.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

- [C] Percentage increase in the median Remuneration of Employees - 15.34%
- [D] Number of permanent Employees on the rolls of Company -17
- [E] The performance of the Company increased by 31.15% as compared to last year against the average increase in remuneration by 6.72%. A substantial part of Directors' Remuneration viz. Commission is based on the performance viz. Net Profits of the Company, as provided under the Companies Act. The nature of Company's business activities are as such that it is very difficult to establish direct nexus to evaluate the performance of the Company with that of the remuneration of its Employee. Hence they are paid fixed remuneration as per their respective terms of employment.
- [F] The Net Profit of the Company as at 31st March, 2015 was Rs.480.49 Lacs as against the total Remuneration of Key Managerial Personnel for F.Y. 2014-15 of Rs. 26.40 Lacs.
- [G] The Market Capitalisation of the Company as at 31st March, 2015 was Rs. 4761.50 Lacs as against Rs. 2791.43 Lacs as at 31st March, 2014. There was variation of Rs. 1970.07 Lacs.
- [H] Price Earning Ratio as at 31st March, 2015 was 9.91 as against 8.44 as at 31st March, 2014
- [I] Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer - The Market quotation of the share of the Company as at 31st March, 2015 was Rs.120. The Company never came out with a Public Offer. However, as compared to the Rights Issue made @ Rs.60/- per share in the year 1994-95 the current quotation is higher by 100 %.
- [J] Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof - The Company is a Board Managed Company. The Managerial positions viz. Managing Director, Whole-time Director or Manager under the Companies Act are not created in the organisation. Here by the term Managerial Personnel we considered the Non-Executive Directors (NEDs) and KMP and by the term managerial Remuneration, we considered Remuneration of NEDs and KMP. The average percentage increase in salaries of employees other than NEDs and KMP made in the year 2014-15 is 2.71% against 13.66% increase in Managerial Remuneration. Managerial Remuneration, inter alia, consist of commission on Net Profits to NEDs and Remuneration of KMP. Increase in Commission is due to increase in Net Profits. Remuneration of all Employees including KMP are structured on the basis of their role and responsibilities in the Organisation. KMP are shouldering much more responsibilities than others, hence their percentage increase in Remuneration is higher.
- [K] Comparison of the each KMP Remuneration vis-a-vis the performance of the Company - The remuneration of Shri Bharat N. Dave, CEO, Shri Girish R. Shah, CS and Shri Harshad V. Mehta, CFO - KMP is Rs.9,74,264, Rs.9,32,409 and Rs. 7,33,242 respectively as against the Net Profit of the Company of Rs.4,80,49,247/-.
- [L] The key parameters for any variable component of remuneration availed by the directors - Directors are paid sitting fee and commission. Both components are variable. Sitting fee depends upon ones attendance and Commission depends upon the Net Profits of the Company. The Key parameters therefore are as envisaged under the Companies Act.
- [M] The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year

Highest paid Directors Remuneration (in Rs.) (I)	Remuneration of Employee receiving remuneration in excess of (I). (in Rs.) (II)	Ratio (III)
6,25,000	9,74,264	0.64 : 1
	9,32,409	0.67 : 1
	7,33,242	0.85 : 1

The Company affirms that the remuneration is as per the remuneration policy of the Company.

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
Chairman

Place: Mumbai  
Dated: 29th May, 2015

**ANNEXURE 'C' TO DIRECTORS' REPORT****FORM NO. AOC - 2**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain Arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions at Arm's length basis	
(a) Name(s) of the related party	Shanudeep Private Limited (Shanudeep)
(b) Nature of relationship	Shanudeep is holding 24.70% stake in the Company. Further the Chairman of the Company Shri Pradeep R. Mafatlal is also the Chairman of Shanudeep.
(c) Nature of contracts / arrangements / transactions	(i) Use of office premises on Lease (ii) Availing facilities and amenities
(d) Duration of the contracts / arrangements / transactions	(i) From 19th August, 2010 to 18th August, 2015 (ii) From 21st August, 2010 to 31st March, 2015
(e) Salient terms of the contracts or arrangements or transactions including the value, if any:	(i) Use of office premises admeasuring 1650 sq. ft. at 2nd Floor, Vijyalaxmi Mafatlal Centre, 57-A, Dr. G. Desmukh Marg, Mumbai on lease by paying Rs. 1,48,500 p.m. as License fee. (ii) Availing Facilities and Amenities at the aforesaid premises by paying Rs. 1,81,500 p.m. as service charges
(f) Date(s) of approval by the Board, if any:	3rd June, 2010 (for both the transaction)
(g) Amount paid as advances, if any:	Nil

**Note :**

There are no such contracts or arrangements or transactions with related parties which are not at arm's length basis entered by the Company or prevailing during the F.Y. 2014-15.

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
*Chairman*

**Place:** Mumbai

**Dated:** 29th May, 2015.

**ANNEXURE 'D' TO DIRECTORS' REPORT****FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2015**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN :	L65910GJ1980PLC003731
ii.	Registration Date:	18th April, 1980
iii.	Name of the Company:	Stanrose Mafatlal Investments and Finance Limited
iv.	Category / Sub-Category of the Company:	Company Limited by Shares/ Indian Non-government Company
v.	Address of the Registered Office and contact details:	601, Popular House, Ashram Road, Ahmedabad-380009. Ph. No. (079) 26580067-96
vi.	Whether Listed Company:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Pvt. Ltd. 303, 3rd Floor, Shopper's Plaza V, Opp. Municipal Market, off. C.G. Road, Navrangpura, Ahmedabad- 380009. Ph. No. (079) 26465179

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated :-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Intercorporate Investment, Financing and Capital Market Related Activites	65993	81.51 % from Investment activity & 18.59 % from financing activity

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Stan Plaza Limited Reg. Off. - 59, The Arcade, 1st Floor, Worldtrade Centre, Cuffe Parade, Colaba, Mumbai-400005.	U24100MH1996PLC098394	SUBSIDIARY	100%	Section 2(87) of Companies Act, 2013
2	Stanrose Mafatlal Lubechem Limited - In Liquidation Reg. Off. - 59, The Arcade, 1st Floor, Worldtrade Centre, Cuffe Parade, Colaba, Mumbai-400005.	L15140MH1993PLC073460	SUBSIDIARY	86.25%	Section 2(87) of Companies Act, 2013

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held as on 01/04/2014				No. of Shares held as on 31/03/2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters:</b>									
<b>(1) Indian:</b>									
<b>(a) Individual/HUF</b>	48,070	-	48,070	1.21%	14,976	-	14,976	0.38%	-0.83%
<b>(b) Central Govt.</b>	-	-	-	-	-	-	-	-	-
<b>(c) State Govt.</b>	-	-	-	-	-	-	-	-	-
<b>(d) Bodies Corp.</b>	18,71,100	-	18,71,100	47.16%	18,71,100	-	18,71,100	47.16%	-
<b>(e) Banks/FI</b>	-	-	-	-	-	-	-	-	-
<b>(f) Any other</b>	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	19,19,170	-	19,19,170	48.37%	18,86,076	-	18,86,076	47.54%	-0.83%
<b>(2) Foreign:</b>									
<b>(a) NRIs-Individuals</b>	-	-	-	-	33,094	-	33,094	0.83%	0.83%
<b>(b) Others-Individuals</b>	-	-	-	-	-	-	-	-	-
<b>(c) Bodies Corp.</b>	-	-	-	-	-	-	-	-	-
<b>(d) Banks/FI</b>	-	-	-	-	-	-	-	-	-
<b>(e) Any other</b>	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held as on 01/04/2014				No. of Shares held as on 31/03/2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A) (2)	-	-	-	-	33,094	-	33,094	0.83%	0.83%
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	19,19,170	-	19,19,170	48.37%	19,19,170	-	19,19,170	48.37%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions:</b>									
(a) Mutual Funds	32	1,850	1,882	0.05%	32	1,850	1,882	0.05%	-
(b) Banks/FI	-	616	616	0.02%	-	616	616	0.02%	-
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	4,25,809	-	4,25,809	10.73%	3,99,310	-	3,99,310	10.06%	-0.67%
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	4,25,841	2,466	4,28,307	10.80%	3,99,342	2,466	4,01,808	10.13%	-0.67%

Category of Shareholders	No. of Shares held as on 01/04/2014				No. of Shares held as on 31/03/2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions:</b>									
<b>(a) Bodies Corp.</b>									
<b>(i) Indian</b>	1,27,637	1,10,561	2,38,198	6.00%	1,24,918	1,10,508	2,35,426	5.93%	-0.07%
<b>(ii) Overseas</b>	-	-	-	-	-	-	-	-	-
<b>(b) Individuals</b>									
<b>(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh</b>	4,14,007	7,27,584	11,41,591	28.77%	4,46,438	6,72,024	11,18,462	28.19%	-0.58%
<b>(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh</b>	1,09,660	1,30,994	2,40,654	6.06%	1,62,060	1,30,994	2,93,054	7.39%	1.33%
<b>(c) Others (specify)</b>	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (2)</b>	6,51,304	9,69,139	16,20,443	40.83%	7,33,416	9,13,526	16,46,942	41.51%	0.68%
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	10,77,145	9,71,605	20,48,750	51.63%	11,32,758	9,15,992	20,48,750	51.63%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	29,96,315	9,71,605	39,67,920	100%	30,51,928	9,15,992	39,67,920	100%	0.00%



(ii) Shareholding of Promoters

Sr. No	Shareholders' Name	Shareholding as at 01/04/2014			Shareholding as at 31/03/2015			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	
1.	Shanudeep Private Limited	9,80,078	24.70	0.00	9,80,078	24.70	0.00	-
2.	Vinadeep Investments Private Limited	4,19,870	10.58	0.00	4,19,870	10.58	0.00	-
3.	Sheiladeep Investments Private Limited	3,90,297	9.84	0.00	3,90,297	9.84	0.00	-
4.	Gagalbhai Investments Private Limited	43,726	1.10	0.00	43,726	1.10	0.00	-
5.	Pradeep Investments Private Limited	18,120	0.46	0.00	18,120	0.46	0.00	-
6.	Standard Industries Limited	19,009	0.48	0.00	19,009	0.48	0.00	-
7.	Sheilja Chetan Parikh	19,054	0.48	0.00	19,054	0.48	0.00	-
8.	Pravina Rasesh Mafatlal & Pradeep R. Mafatlal	14,802	0.37	0.00	14,802	0.37	0.00	-
9.	Pradeep R. Mafatlal & Divya P. Mafatlal	13,186	0.33	0.00	13,186	0.33	0.00	-
10.	Pradeep R. Mafatlal & Pravina R. Mafatlal	854	0.02	0.00	854	0.02	0.00	-
11.	Rajanya Pradeep Mafatlal	174	0.00	0.00	174	0.00	0.00	-
	<b>TOTAL</b>	19,19,170	48.37	0.00	19,19,170	48.37	0.00	-

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
As at 01/04/2014	<b>NO CHANGE DURING THE YEAR</b>			
Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease				
As at 31/03/2015				

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Top ten Shareholders and their Shareholding as at 01/04/2014				Top ten Shareholders and their Shareholding as at 31/03/2015			
No.	Name of Shareholder	No. of Shares	% of total shares of the Company	No.	Name of Shareholder	No. of Shares	% of total shares of the Company
1.	Life Insurance Corporation of India	1,78,620	4.50%	1.	Life Insurance Corporation of India	1,65,949	4.18%
2.	The Oriental Insurance Company Limited	95,664	2.41%	2.	The New India Assurance Company Limited	89,593	2.26%
3.	The New India Assurance Company Limited	89,593	2.25%	3.	The Oriental Insurance Company Limited	81,836	2.06%
4.	Mafatal Industries Limited	79,920	2.01%	4.	Mafatal Industries Limited	79,920	2.01%
5.	Upsurge Investment and Finance Limited	62,000	1.56%	5.	Man Made Fibres Private Limited	62,000	1.56%
6.	General Insurance Corporation Of India	42,616	1.07%	6.	Shashank S Khade	45,582	1.15%
7.	Shashank S Khade	42,064	1.06%	7.	General Insurance Corporation Of India	42,616	1.07%
8.	Panna Hemant Mafatal	38,216	0.96%	8.	Panna Hemant Mafatal	38,216	0.96%
9.	Integrated Financial Services Ltd.	30,100	0.76%	9.	Integrated Financial Services Ltd.	30,100	0.76%
10.	Miheer Hemant Mafatal	25,620	0.65%	10.	Vallur Gopalaraghava Sundararaman	26,518	0.67%

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(v) Shareholding of Directors and Key Managerial Personnel:**

	Shareholding as at 01/04/2014		Shareholding as at 31/03/2015	
	No. of Shares #	% of total shares of the Company	No. of Shares #	% of total shares of the Company
Shri Pradeep R. Mafatlal	28,842	0.35%	28,842	0.35%
Shri Russi Jal Taraporevala	32	0.00%	32	0.00%
Shri Arun P. Patel	175	0.00%	175	0.00%
Shri Rajesh Jaykrishna	156	0.00%	156	0.00%
Shri Kersi J. Pardiwalla	250	0.00%	250	0.00%
Shri Madhusudan J. Mehta	434	0.00%	434	0.00%
Shri Framroz M. Pardiwalla	14	0.00%	14	0.00%
Smt. Datta B. Dave	18	0.00%	18	0.00%
Shri Bharat N. Dave	814	0.02%	814	0.02%
Shri Girish R. Shah	847	0.02%	847	0.02%
Shri Harshad V. Mehta	50	0.00%	50	0.00%

# Including Joint Holding

**V. INDEBTEDNESS**

Indebtedness of the Company including Interest outstanding / accrued but not due for Payment :  
NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Director and/or Manager:**

There is No Managing Director, Whole Time Director and/or Manager in the Company.

**B. Remuneration to other Directors :**

(I) Independent & Non-Executive

Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
	Shri Russi Jal Taraporevala	Shri Arun P. Patel	Shri Rajesh Jaykrishna	Shri Framroz M. Pardiwalla	
Fee for attending Board / Committee meetings (Rs.)	15,000	25,000	25,000	55,000	1,20,000
Commission (Rs.)	80,000	80,000	80,000	80,000	3,20,000
Others, please specify	-	-	-	-	-
<b>Total (B)(1) (Rs.)</b>	95,000	1,05,000	1,05,000	1,35,000	4,40,000

**STANROSE MAFATLAL****(II) Other Non-Executive Directors**

Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
	Shri Pradeep R. Mafatlal	Shri Kersi J. Pardiwalla	Shri Madhusudan J. Mehta	Shri Chetan J. Parikh	Smt. Datta B. Dave	
Fee for attending Board / Committee meetings (Rs.)	25,000	30,000	30,000	-	Not Applicable	85,000
Commission (Rs.)	6,00,000	80,000	80,000	80,000	Not Applicable	8,40,000
Others, please specify	-	-	-	-	-	-
<b>Total (B)(2) (Rs.)</b>	6,25,000	1,10,000	1,10,000	80,000	-	9,25,000
<b>Total Managerial Remuneration (all Directors) (Rs.)</b>	-	-	-	-	-	11,60,000*
<b>Overall Ceiling as per the Act (Rs.)</b>						11,93,235

\* excluding Sitting Fees

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (Rs. In Lacs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Chief Executive Officer	Company Secretary	Chief Financial Officer	
1.	<b>Gross Salary :</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.55	9.07	7.31	25.93
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	0.19	0.25	0.02	0.46
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- As % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	9.74	9.32	7.33	26.39

**Note :**

KMP were appointed on 13th May, 2014. However their remuneration disclosed here is for whole year except CEO. In earlier part of the year CEO was a retainer to the Company as 'Financial Advisor'

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :**

NONE

**REPORT ON CORPORATE GOVERNANCE**

**[As required by Clause 49 of the Listing Agreement with Stock Exchange]**

Securities and Exchange Board of India (SEBI) has stipulated Corporate Governance standards for listed companies vide Clause No. 49 of the Listing Agreement with the Stock Exchange. The Company furnishes its report on the Corporate Governance as under:

**Company's Philosophy on Corporate Governance**

Corporate Governance is a combination of voluntary practices and compliance with Laws and Regulations leading to effective control and management of the organization. Good Corporate Governance leads to long-term shareholder value and enhances interest of other stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

**1. BOARD OF DIRECTORS:**

**(A) Composition of the Board:**

The Company's Board consists of Directors having varied experience in different areas

with some eminent personalities who have made a mark in their respective fields. The composition of the Board is in conformity with the provisions of Clause 49 of the Listing Agreement. Shri Pradeep R. Mafatlal, a Non-Executive Promoter Director, is the Chairman of the Company, heading the Board. The Board comprises of 8 Non-Executive Directors, of whom 4 Directors are Independent and 4 are Non-Independent (including one woman Director).

**(B) Category of Directors, their attendance at the Board and AGM, etc.**

The category of Directors, their attendance at the Board Meetings during the year 2014-15 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows: (See Table 1)

**(C) Number of Board Meetings held and the dates on which such Meetings were held, etc.:**

Five Board Meetings were held during the year on 13.5.2014, 2.8.2014, 1.11.2014, 17.1.2015 and 12-3-2015.

**TABLE : 1 [Reference : Para 1(B)]**

Name of Director	Category of Director	Attendance		No. of Other Directorships *	No. of Committee Memberships held in other Companies**
		No. of Board Mtgs.	Last AGM		
1. Shri Pradeep R. Mafatlal Chairman	Non-Independent Non-Executive	4	No	9 (Chairman of 6)	1
2. Shri Russi Jal Taraporevala	Independent Non-Executive	1	No	2	2
3. Shri Arun P. Patel	Independent Non-Executive	1	No	2	—
4. Shri Rajesh Jaykrishna	Independent Non-Executive	2	No	8	—
5. Shri Chetan J. Parikh (up to 13th May, 2014)	Non-Independent Non-Executive	—	Not Applicable	—	—
6. Shri Kersi J. Pardiwalla	Non-Independent Non-Executive	5	Yes	4	1
7. Shri Madhusudan J. Mehta	Non-Independent Non-Executive	5	Yes	10	—
8. Shri Framroz M. Pardiwalla	Independent Non-Executive	5	Yes	2	2
9. Mrs Datta Bharat Dave (from 1st November, 2014)	Non-Independent Non-Executive	—	Not Applicable	1	—

\* Includes Stanrose Mafatlal Investments and Finance Limited and excludes Foreign Companies.

\*\* Represents Chairmanship/Membership of Audit Committees and Stakeholders' Relationship Committees of Public Limited Companies.

All relevant information such as statement of investments, finance, financial results, capital expenditure proposals, etc. as a matter of routine, was placed before the Board for its appraisal, review and approval.

**2. CODE OF CONDUCT:**

The Board of Directors has adopted a Code of Conduct for Board Members and Senior Management Personnel of the Company. The said Code has been communicated to all the Directors and members of the Senior Management, who have affirmed their compliance with it, as approved and adopted by the Board. The CEO has given declaration to this effect to the Board and the Board has taken the same on its record. The Code is placed on the website of the Company, [www.stanroseinvest.com](http://www.stanroseinvest.com).

**3. POLICY ON PROHIBITION OF INSIDER TRADING**

The Market Regulator, SEBI with the objective of bringing the basic framework governing the regime of Insider Trading practices in line with the dynamic global scenario and to tighten the gap of existing norms, notified the new PIT Regulations to be renowned as SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 15th May, 2015.

The new Regulations seem to be more promising and equipped to ensure better compliance and enforcement. SEBI, via new norms has enhanced the role and responsibilities of the Compliance Officer for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservice of Unpublished Price Sensitive Information and implementation of codes specified in the Regulations.

Accordingly, the Company substituted its 'Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices' by a new "Code of Fair Disclosure" and a "Code of Conduct" in tandem with the aforesaid new Regulations.

**4. CEO AND CFO CERTIFICATION :**

The CEO and CFO have given a Certificate about the correctness of the Annual Financial Statements, etc. to the Board and the Board has taken the same on its record.

**5. COMMITTEES OF THE BOARD:**

**(a) Audit Committee:**

The Board of Directors at its Meeting held on August 2, 2014, has re-constituted the Audit Committee comprising of four Independent Non-Executive Directors, viz. Shri Framroz M. Pardiwalla, Chairman, Shri Arun P. Patel, Shri Rajesh Jaykrishna and Shri Russi Jal Taraporevala, and enhanced its scope/

functions. The Company Secretary acts as the Secretary to the Committee.

The role, term of reference, authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the Listing Agreement, as applicable to the Company.

During the year the Committee met five times. Shri Arun P. Patel attended four meetings, Shri Framroz M. Pardiwalla, Shri Rajesh Jaykrishna attended three and Shri Russi Jal Taraporevala attended one.

**(b) Nomination and Remuneration Committee**

The Board of Directors at its meeting held on 2nd August, 2014 constituted a Nomination and Remuneration Committee comprising of Shri Framroz M. Pardiwalla as the Chairman, Shri Russi Jal Taraporevala and Shri Kersi J. Pardiwalla as other members. The Board at its meeting held on 1st November, 2014 has approved and adopted the Nomination and Remuneration Policy, on recommendation made by the Committee.

The role, term of reference, authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the Listing Agreement, as applicable to the Company.

During the year the Committee met once on 1st November, 2014. Shri Framroz M. Pardiwalla and Shri Kersi J. Pardiwalla attended the Meeting.

**(c) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee deals with the matter of redressal of Shareholders and Investors complaints for transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend etc.:

- i) Name of Non-executive Director heading the Committee: Shri Russi Jal Taraporevala
- ii) Name and Designation of Compliance Officer: Up to 29th May, 2015 Shri Girish R. Shah, Vice President (Legal) & Company Secretary and there after Shri Soham A. Dave, Assistant Company Secretary act as Compliance Officer.
- iii) Number of shareholders' complaints received: During the year 2014-15, the Company received 18 complaints in the aggregate and all of them have been resolved by furnishing requisite information/documents.
- iv) Number of complaints not solved to the satisfaction of shareholders: NIL

## STANROSE MAFATLAL

- v) Number of pending complaints:  
During the year the Committee met once. Shri Pradeep R. Mafatlal and Shri Madhusudan J. Mehta attended the Meeting whereas Shri Russi Jal Taraporevala could not attend.

### 6. INDEPENDENT DIRECTORS' MEETING:

During the year, the Independent Directors met once on March 12, 2015, and evaluated :

- ❖ performance of Non-Independent Directors and the Board of Directors as a whole;
- ❖ performance of Chairman of the Company, taking into account the views of other Non-Executive Directors.
- ❖ quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Shri Russi Jal Taraporevala and Framroz M. Pardiwalla have attended the said Meeting.

### 7. RISK MANAGEMENT:

During the financial year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and risk minimization procedures as required under Clause 49 of the Listing Agreement. Business risk evaluation and management is an ongoing process with the Company.

### 8. DIRECTORS' REMUNERATION DURING 2014-15:

The Non-Executive Directors are paid Sitting Fees of Rs.5,000/- for attending each of the Meetings of the Board/Committees/Independent Directors (except the Share Transfer Committee) and a commission upto 3% of the net profit as determined under Sections 349 and 350 of the Companies Act, 1956 for the financial year ended 31st March, 2014, in

pursuance of General Body Resolution. Within the overall limit, the extent and proportion in which the Commission to be distributed amongst the Directors is determined by the Board. The details of remuneration paid during the year 2014-15 to the Directors are given below (Table No. 2) :

### 9. GENERAL BODY MEETINGS:

- i) Location and time, where last three AGMs were held:  
On 2-8-2014 at 10.30 A.M.  
On 30-7-2013 at 10.30 A.M.&  
On 16-8-2012 at 10.30 A.M.  
At: Banquet Hall, Karnavati Club Ltd.,  
S. G. Highway, Ahmedabad 380058.
- ii) Whether any Special Resolutions passed in the previous 3 AGMs: No
- iii) Whether the Special Resolutions were put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No postal ballot had been conducted.
- iv) Whether Special Resolutions are proposed to be conducted through postal ballot: No
- v) Procedure for postal ballot: Not applicable

### 10. DISCLOSURES

- (a) Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of company at large:

During the year 2014-15, the Company had no materially significant related party transactions having potential conflict with the interest of the Company at large. The transactions with the related parties are disclosed in the Notes to Financial Statements in the Annual Report.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority,

TABLE NO. 2 (Reference : Para 8)

Name of Director	Remuneration paid during 1-4-2014 to 31-3-2015			No. of Shares held as on 31.3.2015#
	Sitting Fee Rs.	Commission (For 2013-14) Rs.	Total Rs.	
Shri Pradeep R. Mafatlal	25,000	6,00,000	6,25,000	28,842
Shri Russi Jal Taraporevala	15,000	80,000	95,000	32
Shri Arun P. Patel	25,000	80,000	1,05,000	175
Shri Rajesh Jaykrishna	25,000	80,000	1,05,000	156
Shri Chetan J. Parikh (upto 13-5-2014)	--	80,000	80,000	--
Shri Kersi J. Pardiwalla	30,000	80,000	1,10,000	300
Shri Madhusudan J. Mehta	30,000	80,000	1,10,000	434
Shri Framroz M. Pardiwalla	55,000	80,000	1,35,000	14
Mrs Datta B. Dave (From 1-11-2014)	-	--	--	18

# Including Joint Holding.



## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

on any matter related to capital market, during the last three years:

None.

### (c) VIGIL MECHANISM/WHISTLE BLOWER POLICY :

The Company has adopted a "Vigil Mechanism/ Whistle Blower Policy" on 2nd August, 2014, through which it has institutionalized a mechanism for the directors and the employees to disclose to the Audit Committee, any unethical behavior, improper practice and wrongful conduct taking place in the Company, for suitable action. The Policy, by design, provides access to the Chairman of the Audit Committee, in exceptional cases. Up to 29th May, 2015 Shri Girish R. Shah, Vice President (Legal) & Company Secretary and thereafter Shri Soham A. Dave, Assistant Company Secretary act as Vigilance Officer of the Company to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the result thereof. The detailed Policy describing the objectives, scope, eligibility, procedure, etc. is also posted on the website of the Company. We further affirm that no employee has been denied access to the Audit Committee during the financial year 2014-15.

### (d) COMPLIANCE OF MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS OF CLAUSE 49

The Company has complied with all mandatory requirements of Clause 49 (as applicable to it) of the Listing Agreement. The Company has adopted non-mandatory requirements of Clause 49 such as establishing Remuneration Committee, evaluating Non-Executive Directors, establishing Whistle Blower Policy, etc.

## 11. MEANS OF COMMUNICATION

- 1) Half-yearly report sent to each household of shareholders: No
- 2) Quarterly Results:  
Quarterly Results are published in Ahmedabad Editions of Economic Times, English and Gujarati, and are displayed on Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). The website contains a separate dedicated section 'Investor Relations', where shareholders' information is available.
- 3) Whether it also displays official news releases and the presentations made to institutional investors or to the Analysts : No
- 4) Whether MD & A is a part of the Annual Report or not: Yes.

## 12. GENERAL SHAREHOLDERS INFORMATION

The Company is registered in the State of Gujarat. The Corporate Identity Number (CIN) allotted to the Company

by the Ministry of Corporate Affairs (MCA) is L65910GJ1980PLC003731.

### (a) 35th Annual General Meeting

**Date & Time:** 12th August, 2015 at 10.30 A.M.

**Venue** : Banquet Hall,  
Karnavati Club Ltd.,  
S. G. Highway,  
Ahmedabad - 380058.

### (b) Financial Calendar :

**Financial Year :**

1st April to 31st March

**Financial Reporting (tentative) for:**

**Quarter ending 30-6-2015:**

By 14th August, 2015

**Quarter ending 30-9-2015:**

By 14th November, 2015

**Quarter ending 31-12-2015:**

By 14th February, 2016

**Year ending 31-3-2016:**

Audited Results by 30th May, 2016.

### (c) Book Closure Dates for AGM & Dividend :

5th August, 2015 to 12th August, 2015

(both days inclusive)

### (d) Dividend Payment Date:

From 24th August, 2015 and onwards.

### (e) Unpaid Dividend :

a. The Company has transferred unclaimed dividends for and upto the Financial Year ended on 30th September, 1994 to the General Revenue Account of the Central Government and thereafter upto the financial year ended on 31st March, 2007 to the Investor Education and Protection Fund (IEPF), as required under Section 205A(5) of the Companies Act, 1956, within the prescribed time limit. Till the provisions of Companies Act, 2013, relating to Unpaid Dividend are notified, no claim shall lie in respect of dividend transferred to IEPF. The members, therefore, may submit their claims, if any, for unclaimed dividends for and upto the financial year ended 30th September, 1994, to the Registrar of Companies, Gujarat, at C.G.O. Complex, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, AHMEDABAD - 380 013.

The aggregate amount lying in Unpaid Dividend Accounts as at 31st March, 2015 is Rs.49,84,289.05/-.

During the year under review, the Company has credited Rs.3,00,009/- lying in unpaid/unclaimed dividend account for the year ended 31st March, 2007 to the IEPF. The cumulative amount transferred to IEPF upto 31st March, 2014 is Rs.17,80,897/-.

- b. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year ended on 31st March, 2008 and thereafter which remains unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education & Protection Fund' of the Central Government.

The likely schedule indicating the deadline for claiming the unclaimed dividends before its transfer to IEPF is given in Table 3 here under:

**TABLE NO. : 3**

<b>Dividend No.</b>	<b>For the Year ended</b>	<b>Date of Declaration</b>	<b>Last Date for Claiming Unpaid Dividend</b>
27th	31-03-2008	15-09-2008	14-09-2015
28th	31-03-2009	12-09-2009	11-09-2016
29th	31-03-2010	13-08-2010	12-08-2017
30th	31-03-2011	03-09-2011	02-09-2018
31st	31-03-2012	16-08-2012	15-08-2019
32nd	31-03-2013	30-07-2013	29-07-2020
33rd	31-03-2014	02-08-2014	01-08-2021

The Ministry of Corporate Affairs has on May 10, 2012, notified the Investor Education and Protection Fund (uploading of information regarding Unpaid and Unclaimed amounts lying with companies) Rules, 2012 ("IEPF Rules") with the objective of enabling shareholders to use the information provided by the companies on their websites and the website of IEPF, to verify the status of unclaimed dividends, if any. The Shareholder can view the aforesaid information on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investor Relations" on the website of the Company, viz. [www.stanroseinvest.com](http://www.stanroseinvest.com). The data of Unclaimed Dividends is uploaded as aforesaid on the websites by the Company. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company at its Registered Office or with its Registrar and Transfer Agent viz. Link Intime India Pvt. Ltd., before the same is due for transfer to IEPF. The Unclaimed Dividend Claim Form - Letter of Indemnity can be downloaded from [www.stanroseinvest.com](http://www.stanroseinvest.com).

**(f) Dividends:**

**(i) Receipt of Dividend through Electronic Mode**

Securities and Exchange Board of India (SEBI) has vide Circular No. CIR/MID/DP/10/2013

dated March 21, 2013 directed that listed companies shall mandatorily make all payments to investors, including dividend to shareholders, by using any Reserve Bank of India (RBI) approved electronic mode of payment viz. ECS, LECS (Local ECS), RECS (Regional ECS), NECS (National ECS) and NEFT, etc.

In order to receive the dividend without loss of time, all eligible shareholders holding shares in demat mode are requested to update with their respective Depository Participants, their correct Bank Account Number including nine digit MICR Code and eleven digit IFSC Code, E-Mail ID and Mobile No(s). This will facilitate the remittance of dividend amount as directed by RBI in the Bank Account electronically. Updation of Email Id and Mobile Nos.(s) will enable sending communication relating to credit of dividend, unencashed dividend, etc.

Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend in their bank accounts: Name of the first account holder (as appearing in the Bank Account records), Bank Name, Branch Name, Branch Address, Account Type, Account Number, Nine Digit MICR Code, Eleven digit IFSC Code, Email Id and Mobile No.(s) to the Company at its Registered Office or its Registrar and Transfer Agent Link Intime India Pvt. Ltd. at: Unit No. 303, 3rd Floor, Shoppers' Plaza V, Opp. Municipal Market, B/h. Shoppers' Plaza II, Off. C. G. Road, Ahmedabad 380 009, by quoting reference folio number and attaching a photocopy of the cheque leaf of their active Bank Account and a Self-attested copy of their PAN Card.

**(ii) Various Electronic modes for making payment of Dividend**

In case the shareholder has updated the complete and correct bank account details (including nine digit MICR Code and eleven digit IFSC Code) before the deadlines given hereinabove, the Company shall make the payment of dividend to such shareholders under any one of the following modes:

1. National Electronic Clearing Service (NECS)
2. Electronic Clearing Service (ECS)
3. National Electronic Fund Transfer (NEFT)

In case dividend payment by electronic mode is returned or rejected by the corresponding bank due to some reason, then the Company will issue a Dividend Warrant/Demand Draft/

Cheque and print the bank account details available on its records on the said dividend warrant to avoid fraudulent encashment of warrants.

**(g) Rationalisation of Shareholding Pattern**

Most of the Members are still holding shares of the Company in physical form and that too in very small numbers. The Company continues its endeavor to assist them in disposal of such small number even without demat at or near the full market value by absorbing some costs associated with its administration. Members desirous of availing the assistance may write or contact Shri Soham A. Dave, Asst. Company Secretary at the Registered Office at Ahmedabad. Members having multiple folios, either in identical name(s) or in different pattern of name(s) at common address or otherwise may approach the Registrar & Transfer Agent of the Company for transfer/consolidation of all such shareholding into one folio to facilitate better service. Members who have lost their original Share Certificate(s) are also requested to contact or write to them for issue of duplicate Share Certificate(s).

**(h) Nomination Facility**

Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 can be downloaded from the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). Members holding shares in dematerialized form may contact their DP for recording their nomination.

**(i) Share Transfer System**

All the share related work is undertaken by our Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd., Ahmedabad. The Share Transfer Committee of the Directors approves the share transfer, transmission, Splitting and consolidation of shares among others. The share transfers are registered and returned within 15 days from the date of receipt, if relevant documents are complete in all respects.

**(j) PAN Requirement for every Participant in Securities Market**

In case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of self-certified photocopy of PAN Card of the transferee(s), surviving holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is mandatory.

**(k) Registration of Email ID for receipt of Notices of General Meetings, Annual Report, etc. in e-form**

The Ministry of Corporate Affairs has taken 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Company and has issued circulars allowing service of notices/documents including Annual Report by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses so far, are requested to register the same in respect of electronic holdings with the Depository through their Depository Participants. Members holding shares in physical form are requested to get their email addresses registered with the Company/its Registrar & Share Transfer Agent.

**ADVANTAGES OF REGISTERING FOR E-COMMUNICATION:**

- \* Receive communication promptly
- \* Reduce paper consumption and save trees
- \* Eliminate wastage of papers
- \* Avoid loss of documents in postal transit
- \* Save costs on papers and on postage

**(l) Address for Correspondence:**

601, Popular House, Ashram Road,  
Ahmedabad - 380 009.  
Phone No. 079 66310887, 26580067  
Fax: 079 26589557  
E-mail : [Investorcare@stanroseinvest.com](mailto:Investorcare@stanroseinvest.com)

**(m) Registrar and Share Transfer Agent:**

The Company's Registrar and Share Transfer Agent is Link Intime India Pvt. Ltd., Unit No. 303, 3rd Floor, Shopper's Plaza-V, Opp. Municipal Market, Behind Shopper's Plaza II, Off. C. G. Road, Ahmedabad - 380009 Tel. 079 26465179. Email : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in). All correspondence for transfer of shares, demat requests and other communication in relation thereto be addressed to them.

**(n) Listing on the Stock Exchange and Stock Code:**

Listed on Bombay Stock Exchange. Listing fee for 2015-16 of BSE has been paid and the Scrip Code No. is 506105, [Scrip ID STANROS] under B Group.

The Company has established connectivity with NSDL and CDSL both for demat and the ISIN allotted to its Equity Shares is INE441L01015.

**(o) Recommendation to get the shares dematerialized**

We strongly recommend all the members holding

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shares in physical form to promptly get their shares dematerialized for the following:

❖ Execution of trades in demat in market lot of ONE equity share is available on BSE.	❖ Elimination of bad deliveries.
❖ To improve the liquidity in terms of number of transactions and volume of shares on the Exchange.	❖ No stamp duty on transfer.
❖ For better discovery of price on the Exchange.	❖ Periodic Status Report and information available on internet.
❖ Faster settlement cycle, making the transactions of sale, purchase and transfer much simpler and faster.	❖ Ease related to change of address of investor.
❖ Faster disbursement of Non-cash corporate benefits like Rights, Bonus, etc.	❖ Elimination of problems related to transmission.
❖ To lower the transaction cost. Lower brokerage is charged by many brokers for trading in dematerialised securities.	❖ Ease in portfolio monitoring.
	❖ Ease in pledging the shares.
	❖ SMS alert facility.
	❖ No risk of loss on account of fire, theft or mutilation.
	❖ Reduced paper work

(p) (i) Distribution of Shareholding by size as on 31st March, 2015 :

TABLE NO. 4

Sr. No.	Number or range of Shares held	Shareholders			Shares held		
		Number	% to total Number	Cumulative %	Number	% to total Number	Cumulative %
01.	1	839	2.47	2.47	839	0.02	0.02
02.	2	8,696	25.63	28.10	17,392	0.44	0.46
03.	3	258	0.76	28.86	774	0.02	0.48
04.	4	10,512	30.99	59.85	42,048	1.06	1.54
05.	5	94	0.28	60.13	470	0.01	1.55
06.	6 to 10	2,930	8.64	68.77	21,094	0.53	2.08
07.	11 to 20	4,521	13.33	82.10	68,668	1.73	3.81
08.	21 to 49	2,402	7.08	89.18	77,478	1.95	5.76
09.	50	571	1.68	90.86	28,550	0.72	6.48
10.	51 to 100	1,440	4.25	95.11	1,11,618	2.81	9.29
11.	101 to 500	1,317	3.88	98.99	2,98,773	7.53	16.82
12.	501 to 1,000	170	0.50	99.49	1,24,048	3.13	19.95
13.	1,001 & more	173	0.51	100.00	31,76,168	80.05	100.00
		33,923	100.00		39,67,920	100.00	

(p) (ii) Shareholding Pattern as at 31st March, 2015 :

TABLE NO. 5

Category	No. of Share-holders	No. of Shares held	% of Share-holding
<b>A) PROMOTERS' HOLDING :</b>			
- Indian	8	18,86,076	47.53
- Foreign	3	33,094	0.84
<b>SUB - TOTAL A</b>	<b>11</b>	<b>19,19,170</b>	<b>48.37</b>
<b>B) PUBLIC HOLDING :</b>			
(i) Institutions	15	4,01,808	10.13
(ii) Non Institutions			
(a) Private Corporate Bodies	74	2,35,426	5.93
(b) Individuals	33,823	14,11,516	35.57
<b>SUB-TOTAL B</b>	<b>33,912</b>	<b>20,48,750</b>	<b>51.63</b>
<b>GRAND TOTAL (A + B)</b>	<b>33,923</b>	<b>39,67,920</b>	<b>100.00</b>

(q) Stock Market Data :

(i) The particulars of High-Low prices and the volume during each month of 2014-15 on the Bombay Stock Exchange Ltd. (BSE) are given hereunder:

Month 2014	High Rs.	Low Rs.	Volume (Nos.)
April	87.00	71.10	2,665
May	89.05	73.05	11,099
June	102.00	79.05	17,637
July	102.25	79.00	10,617
August	106.00	85.90	8,791
September	109.00	85.55	28,151
October	95.00	86.00	11,211
November	106.00	85.50	17,571
December	105.00	89.05	22,129
<b>2015</b>			
January	158.80	91.00	87,778
February	154.80	123.00	18,016
March	139.00	115.10	5,472
<b>Fiscal-2015</b>	<b>158.80</b>	<b>71.10</b>	<b>2,41,137</b>

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

(ii) Share Price Performance in comparison to broad based indices - BSE Sensex

During the Financial Year 2014-15, the Company's share price over performed the benchmark indice. The Company's share price increased by 70.58% as compared to an increase of 24.88% in BSE Sensex.

(r) Dematerialisation of Shares

76.92% of Company's paid-up Equity Share Capital is dematerialized upto 31st March, 2015.

Sr. No.	Electronic / Physical	No. of Folios	No. of Shares	%
1.	NSDL	2,248	27,70,340	69.82 %
2.	CDSL	674	2,81,588	7.10 %
3.	Physical	31,001	9,15,992	23.08 %
	<b>TOTAL</b>	<b>33,923</b>	<b>39,67,920</b>	<b>100.00 %</b>

*For and on behalf of the Board*

*Mumbai,*

*Dated: 29th May, 2015*

*Pradeep R. Mafatlal  
Chairman*

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of  
**Stanrose Mafatlal Investments and Finance Limited**

We have examined the compliance of conditions of corporate governance by **Stanrose Mafatlal Investments and Finance Limited**, for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring

the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the corporate governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For C.C. CHOKSHI & CO.**

*Chartered Accountants  
(Firm Registration No. 101876W)*

**GAURAV J. SHAH**

*Ahmedabad*

*29th May, 2015.*

*Partner*

*(Membership No. 35701)*

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF  
**STANROSE MAFATLAL INVESTMENTS  
AND FINANCE LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profits and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included
- in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 15 to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

*For C. C. CHOKSHI & CO.*  
*Chartered Accountants*  
*(Firm Registration No. 101876W)*

**GAURAV J. SHAH**  
*Partner*  
*[Membership No. 35701]*

*Ahmedabad,*  
*Dated : 29th May, 2015*

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to nature of the Company's business/ activities/results, clauses (ii), (vi), (viii), of CARO are not applicable.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of services and during the course of audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year from public within the meaning of provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Wealth Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Wealth Tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs.)
Income Tax Act, 1961	Income Tax	ITAT	2004-05 2007-08	4,29,455
	Income Tax	Asstt. Comm.	2008-09	69,635

- (d) The Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (vii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) During the year, the Company had no dues to any financial institution or bank or debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- (x) In our opinion and according to the information and explanations given to us, the Company has not raised any term loan during the year under review and hence, question of its application does not arise.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **C. C. CHOKSHI & CO.**

Chartered Accountants

(Firm Registration No.101876W)

**GAURAV J. SHAH**

Ahmedabad,

Dated : 29h May, 2015

Partner

[Membership No. 35701]



**BALANCE SHEET** as at 31st March, 2015

(Amount in Rupees)

Particulars	Note No.	As at 31-3-2015	As at 31-3-2014
<b>I Equity and Liabilities :</b>			
<b>Shareholders' Funds :</b>			
Share Capital .....	2	3,96,79,200	3,96,79,200
Reserves and Surplus .....	3	46,04,40,818	44,10,45,826
		<u>50,01,20,018</u>	<u>48,07,25,026</u>
<b>Non-current Liabilities :</b>			
Long Term Provisions .....	4	12,78,217	10,50,626
		<u>12,78,217</u>	<u>10,50,626</u>
<b>Current Liabilities : .....</b>			
Trade Payables .....	5	5,87,093	5,12,633
Other Current Liabilities .....		71,36,746	55,25,747
Short-term Provisions .....		3,07,00,498	2,85,97,888
		<u>3,84,24,337</u>	<u>3,46,36,268</u>
Total .....		<u>53,98,22,572</u>	<u>51,64,11,920</u>
<b>II ASSETS :</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets : .....</b>			
Tangible Assets .....	6	1,34,09,913	1,49,03,895
<b>Non-current Investments .....</b>	7	<b>23,69,02,982</b>	<b>28,16,20,854</b>
<b>Deferred Tax Assets (Net) .....</b>	8	<b>17,89,124</b>	<b>12,05,520</b>
<b>Long Term Loans and Advances .....</b>	9	<b>13,64,72,422</b>	<b>6,48,10,214</b>
		<u>38,85,74,441</u>	<u>36,25,40,483</u>
<b>Current Assets : .....</b>			
Stock-in Trade .....	10	15,54,438	14,90,886
Trade Receivables .....		9,88,328	14,39,657
Cash and Cash Equivalents .....		72,01,414	1,12,77,459
Short Term Loans and Advances .....		13,16,37,455	13,96,63,435
Other Current Assets .....		98,66,496	—
		<u>15,12,48,131</u>	<u>15,38,71,437</u>
Total .....		<u>53,98,22,572</u>	<u>51,64,11,920</u>

Summary of Significant Accounting Policies ..... 1

See accompanying notes to the financial statements

<p>In terms of our Report attached.</p> <p style="text-align: center;"><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i></p> <p style="text-align: center;"><b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 29th May, 2015</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p style="text-align: right;"><b>P. R. MAFATLAL</b> <i>Chairman</i></p> <p style="text-align: right;"><b>H. V. MEHTA</b> <i>Chief Financial Officer</i></p> <hr/> <p style="text-align: center;"><b>G. R. SHAH</b> <i>Vice President (Legal) &amp; Company Secretary</i></p>
	<p>Mumbai, Dated : 29th May, 2015</p> <hr/> <p>Ahmedabad, Dated : 29th May, 2015</p>

**STANROSE MAFATLAL****STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2015**

(Amount in Rupees )

Particulars	Note No.	Year ended 31-03-2015	Year ended 31-03-2014
Revenue from Operations .....	11	10,70,06,586	7,29,79,359
Other Income .....	12	1,81,220	83,997
Total Revenue		<u>10,71,87,806</u>	<u>7,30,63,356</u>
<b>Expenses :</b>			
Employee benefit expenses .....	13	78,84,289	67,44,457
Depreciation .....		36,11,241	24,02,540
Other Expenses .....	14	2,57,12,381	2,54,81,869
Total Expenses		<u>3,72,07,911</u>	<u>3,46,28,866</u>
<b>Profit before Taxes .....</b>		<b>6,99,79,895</b>	<b>3,84,34,490</b>
<b>Tax Expense :</b>			
Current Tax .....		1,18,00,000	55,00,000
Deferred Tax .....		(5,83,604)	(1,49,538)
		<u>5,87,63,499</u>	<u>3,30,84,028</u>
Short/Excess Provision of Taxation in respect of earlier Years [Net]		1,07,14,252	-
<b>Profit for the year .....</b>		<b>4,80,49,247</b>	<b>3,30,84,028</b>
<b>Earnings per equity share [Refer Note 21]:</b>			
Basic .....		12.11	8.34
Diluted .....		12.11	8.34
Summary of Significant Accounting Policies .....	1		
See accompanying notes to the financial statements			

<p>In terms of our Report attached.</p> <p style="text-align: center;"><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i></p> <p style="text-align: center;"><b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 29th May, 2015</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p style="text-align: right;"><b>P. R. MAFATLAL</b> <i>Chairman</i></p> <p style="text-align: right;"><b>H. V. MEHTA</b> <i>Chief Financial Officer</i></p> <hr/> <p style="text-align: center;">Mumbai, Dated : 29th May, 2015</p> <p style="text-align: right;"><b>G. R. SHAH</b> <i>Vice President (Legal) &amp; Company Secretary</i></p>
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**CASH FLOW STATEMENT** for the year ended on 31st March, 2015

(Amount in Rupees)

	Year ended 31-3-2015	Year ended 31-3-2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS	6,99,79,895	3,84,34,490
Adjustments for :		
Depreciation .....	36,11,241	24,02,540
Provision for diminution in value of long term investments.....	-	24,13,023
Income from Investments .....	(7,27,90,229)	(4,80,33,721)
Profit on Assets Sold .....	(18,611)	(650)
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES .....</b>	<b>7,82,296</b>	<b>(47,84,318)</b>
Changes in Working Capital Adjustments for :		
Trade Receivables .....	4,51,329	(7,48,017)
Purchase of Investments .....	-	(25,10,255)
Sale of Investments .....	11,85,11,107	4,92,01,389
Inventories - Stock in trade .....	(63,552)	4,54,64,089
Long-term Loans and Advances .....	(1,15,579)	(4,18,239)
Short-term Loans and Advances .....	(37,09,581)	(5,22,08,685)
Other Current Assets .....	(98,66,496)	-
Trade Payables .....	74,460	(83,092)
Other Current Liabilities .....	24,69,793	8,88,843
Long-term Provisions .....	2,27,591	(10,000)
Short-term Provisions .....	(1,45,782)	3,78,214
<b>CASH GENERATED FROM / (USED IN) OPERATIONS .....</b>	<b>10,86,15,586</b>	<b>3,51,69,929</b>
Direct Taxes (Paid) .....	(1,01,89,742)	(56,91,360)
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A) .....</b>	<b>9,84,25,844</b>	<b>2,94,78,569</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets .....	(21,64,831)	(1,28,310)
Sale of Fixed Assets .....	66,184	2,399
Advances given to subsidiary Company .....	(7,15,46,629)	-
Investment in Subsidiary Company .....	(10,03,006)	-
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B) .....</b>	<b>(7,46,48,282)</b>	<b>(1,25,911)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid .....	(2,78,53,608)	(2,78,53,608)
<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C) .....</b>	<b>(2,78,53,608)</b>	<b>(2,78,53,608)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) .....</b>	<b>40,76,046</b>	<b>14,99,050</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR .....</b>	<b>1,12,77,459</b>	<b>97,78,409</b>
<b>CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR .....</b>	<b>72,01,414</b>	<b>1,12,77,459</b>
<b>Notes :</b>		
1) Cash and cash equivalents as at the end of the Year:		
Cash on hand .....	2,76,119	4,69,226
Balances with Banks in Current Accounts* .....	69,25,295	1,08,08,233
<b>Total</b>	<b>72,01,414</b>	<b>1,12,77,459</b>

\*Note : Including Rs. 49,66,846 (Previous Year Rs. 42,47,448) in respect of Unpaid Dividend Accounts.

- 2) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement as prescribed under Companies (Accounting Standards) Rules, 2006.

## STANROSE MAFATLAL

In terms of our Report attached.  <b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i> <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 29th May, 2015	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.  Mumbai, Dated : 29th May, 2015	<b>P. R. MAFATLAL</b> <i>Chairman</i> <b>H. V. MEHTA</b> <i>Chief Financial Officer</i>
	Ahmedabad, Dated : 29th May, 2015	<b>G. R. SHAH</b> <i>Vice President (Legal) &amp; Company Secretary</i>

### NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2015

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014. The Financial Statement have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

##### b. USE OF ESTIMATES:

The presentation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities ( including Contingent Liabilities ) and the reported income and expense during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/materialize.

##### c. REVENUE RECOGNITION:

- Revenue is recognized when no significant uncertainty as to the measurability or collectability exists.
- Dividend income is accounted for when the right to receive payment is established.
- Interest income is accounted on accrual basis.

##### d. INVESTMENTS:

Non-current Investments are stated at cost less any provision for diminution in value other than temporary.

##### e. STOCK-IN-TRADE:

Current Investments in Shares and Securities, etc., acquired in the ordinary course of

business are stated as Stock-in-trade. Stock-in-trade for each category is valued at cost or Fair Value / Net Asset Value (NAV) whichever is lower.

##### f. FIXED ASSETS:

Fixed Assets are stated at historical cost less accumulated depreciation.

##### g. IMPAIRMENT OF FIXED ASSETS:

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

##### h. DEPRECIATION:

Depreciation on Fixed Assets is provided on Written Down Value (WDV) method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

##### i. RETIREMENT BENEFITS:

###### Gratuity :

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Gratuity Trust Fund created by the Company. The Company Accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting Rate relevant to Government Securities at the Balance Sheet Date.

###### Provident Fund :

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.

###### Leave Encashment :

Cost of earned leave of the employee is estimated at the end of every year and expensed to the Statement of Profit and Loss for the period in which such leave were earned as Personnel Costs.

##### j. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Liabilities which are of contingent nature are not provided but disclosed at their estimated amount in the Notes to the Financial Statements.

Contingent assets are neither recognized nor disclosed in financial statements.

**k. GENERAL RESERVE II:**

The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-term investments and such amount is credited to General Reserve II.

**I. TAXATION:**

Provision for Current Income tax is made on the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originates in one period and is capable of reversal in one or more subsequent periods.

**m. OPERATING LEASE:**

Lease where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Lease and rentals thereon are charged to the Statement of Profit and Loss.

### 2. SHARE CAPITAL :

Particulars	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
<b>AUTHORISED SHARE CAPITAL :</b>		
<b>50,00,000</b> (Previous Year 50,00,000) Equity Shares of Rs. 10 each with voting rights	<u><b>5,00,00,000</b></u>	<u>5,00,00,000</u>
<b>Issued, Subscribed and Paid-up :</b>		
<b>39,67,920</b> (Previous Year 39,67,920) Equity Shares of Rs. 10 each with voting rights	<u><b>3,96,79,200</b></u>	<u>3,96,79,200</u>
Total	<u><b>3,96,79,200</b></u>	<u>3,96,79,200</u>

Notes :

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :

Outstanding at the beginning of the year	<b>39,67,920</b>	39,67,920
Add : Issued During the year	—	—
<i>Outstanding at the end of the year</i>	<u><b>39,67,920</b></u>	<u>39,67,920</u>

(ii) Terms/rights attached to equity shares : The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share.

(iii) Details of Shareholders holding more than 5 percent equity shares:

1. Shanudeep Pvt. Ltd.	Nos.	<b>9,80,078</b>	9,80,078
	% holding	<b>24.70 %</b>	24.70 %
2. Vinadeep Investments Pvt. Ltd.	Nos.	<b>4,19,870</b>	4,19,870
	% holding	<b>10.58 %</b>	10.58 %
3. Sheiladeep Investments Pvt. Ltd.	Nos.	<b>3,90,297</b>	3,90,297
	% holding	<b>9.84 %</b>	9.84 %

### 3. RESERVES AND SURPLUS :

Particulars	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
<b>Securities Premium Reserve</b>		
Balance as per last Balance Sheet.	<b>9,91,98,000</b>	9,91,98,000
<b>Reserve U/S.45 IC of RBI Act, 1934:</b>		
Balance as per last Balance Sheet.	<b>10,37,50,000</b>	9,71,00,000
Add : Amount transferred from Statement of Profit and Loss.	<u><b>96,50,000</b></u>	<u>66,50,000</u>
	<u><b>11,34,00,000</b></u>	<u>10,37,50,000</u>
<b>General Reserve No. I :</b>		
Balance as per last Balance Sheet.	<b>12,24,25,000</b>	11,91,00,000
Add : Transferred from Statement of Profit and Loss	<u><b>5,75,000</b></u>	<u>33,25,000</u>
	<u><b>12,30,00,000</b></u>	<u>12,24,25,000</u>
<b>General Reserve No. II :</b>		
Balance as per last Balance Sheet.	<b>15,97,977</b>	40,11,000
Less: Amount transferred to Statement of Profit and Loss on account of provision for diminution in Non-current investments	—	24,13,023
Add: Transfer from Statement of Profit and Loss	<u><b>4,02,023</b></u>	<u>—</u>
	<u><b>20,00,000</b></u>	<u>15,97,977</u>
<b>Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	<b>11,40,74,849</b>	11,64,06,406
Add : Profit for the year	<u><b>4,80,49,247</b></u>	<u>3,30,84,028</u>
Available for Appropriations	<u><b>16,21,24,096</b></u>	<u>14,94,90,434</u>

## STANROSE MAFATLAL

Particulars	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
Less: Appropriations:		
Transfer to Reserve u/s 45 IC of RBI Act, 1934	96,50,000	66,50,000
Proposed Dividend	2,38,07,520	2,38,07,520
Distribution tax on proposed dividend	48,46,735	40,46,088
Transfer to General Reserve No. I	5,75,000	33,25,000
Transfer to General Reserve No. II	4,02,023	-
Add: Transfer from General Reserve No. II	-	24,13,023
	<u>12,28,42,818</u>	<u>11,40,74,849</u>
Total	<u>46,04,40,818</u>	<u>44,10,45,826</u>

### 4. NON CURRENT LIABILITIES

Particulars	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
LONG TERM PROVISIONS		
Provision for Employee Benefits	9,33,217	8,85,626
Contingent Provisions against Standard Assets	3,45,000	1,65,000
Total	<u>12,78,217</u>	<u>10,50,626</u>

### 5. CURRENT LIABILITIES

Particulars	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
TRADE PAYABLES	5,87,093	5,12,633
	<u>5,87,093</u>	<u>5,12,633</u>
OTHER CURRENT LIABILITIES		
Unclaimed dividend	49,66,846	42,47,447
Other payables	21,69,900	12,78,300
	<u>71,36,746</u>	<u>55,25,747</u>
SHORT TERM PROVISIONS		
Provision for Employee Benefits	2,68,498	4,09,280
Contingent Provisions against Standard Assets	3,30,000	3,35,000
Proposed Dividend *	2,38,07,520	2,38,07,520
Provision for Tax on Proposed Dividend	48,46,735	40,46,088
Provision for Taxation (Net of advance tax)	14,47,745	—
	<u>3,07,00,498</u>	<u>2,85,97,888</u>
	<u>3,84,24,337</u>	<u>3,46,36,268</u>

\* Note : Dividend proposed at Rs. 6.00 per share  
(Previous Year Rs. 6.00 per share)

6. FIXED ASSETS :	(Amount in Rupees)									
	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1-4-2014	Additions during year	Deductions/ Adjust- ments during the year	As at 31-3-2015	As at 1-4-2014	For the year	Deductions	Upto 31-3-2015	As at 31-3-2015	As at 31-3-2014
Tangible Assets										
Buildings .....	1,25,06,883	—	—	1,25,06,883	44,26,325	10,21,812	—	54,48,137	70,58,746	80,80,558
Furniture & Fixtures .....	58,68,611	1,28,750	—	59,97,361	40,26,847	9,76,552	—	50,03,399	9,93,962	18,41,764
Office Equipment .....	39,38,912	6,08,355	10,990	45,36,277	21,32,792	3,87,469	9,806	25,10,455	20,25,822	18,06,120
Vehicles .....	1,39,68,838	14,27,726	9,27,770	1,44,68,794	1,07,93,385	12,25,408	8,81,382	1,11,37,411	33,31,383	31,75,453
TOTAL .....	3,62,83,244	21,64,831	9,38,760	3,75,09,315	2,13,79,349	36,11,241	8,91,188	2,40,99,402	1,34,09,913	1,49,03,895
Previous Year .....	3,61,72,624	1,28,310	17,690	3,62,83,244	1,89,92,749	24,02,540	15,940	2,13,79,349	1,49,03,895	

Note : Cost of ownership Tenement in Co-operative Society is grouped under the head 'Buildings' and it includes Cost of Shares of the said Society of the face value of Rs. 250 (Previous Year Rs. 250)

### 7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

Sr. Particulars No.	Face Value per Share / Unit	As at 31-3-2015 Qty. At Cost or (No.) Book Value	As at 31-3-2014 Qty. At Cost or (No.) Book Value
<b>(A) In Equity Shares of a Subsidiary Company (At Cost) (Unquoted) :</b>			
1. Stanrose Mafatlal Lubechem Limited .....			
-In Liquidation .....	5	43,98,216	— 43,98,216
2. Stan Plaza Limited .....	10	50,007 10,03,006	— —
<b>Total (A)</b>		<u>10,03,006</u>	<u>—</u>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

(Amount in Rupees)

Sr. No.	Particulars	Face Value per Share / Unit	As at 31-3-2015		As at 31-3-2014	
			Qty. (No.)	At Cost or Book Value	Qty. (No.)	At Cost or Book Value
<b>(B).In Shares of other Companies (At Cost) :</b>						
<b>I. In Equity Shares :</b>						
<b>(i) Quoted (Fully paid) (Non-Traded) :</b>						
1.	Asian Electronics Ltd. ....	5	1,600	-	1,600	3,61,320
2.	BASF India Ltd. ....	10	8,000	16,97,081	9,200	19,51,644
3.	Binani Industries Limited .....	10	-	-	2,700	5,04,130
4.	Eicher Motors Limited .....	10	1,000	3,84,770	1,450	5,57,917
5.	Futura Polyesters Ltd. ....	10	78,300	-	78,300	9,92,940
6.	GTL Infrastructure Limited .....	10	-	-	3,100	2,12,678
7.	Housing Development Finance Corp. Ltd.	2	1,05,000	22,19,637	1,55,100	32,78,721
8.	HDFC Bank Limited. ....	2	70,000	3,66,38,905	1,16,750	6,11,08,459
9.	Indian Oil Corporation Limited .....	10	-	-	540	2,14,466
10.	Infrastructure Development Finance Co. Ltd.	10	-	-	35,900	25,00,152
11.	Innovassynth Investments Limited .....	10	25,962	-	35,589	5,84,908
12.	ITC Limited .....	1	30,000	26,27,555	47,400	41,51,536
13.	Jindal Stainless Limited .....	2	-	-	1,000	1,42,251
14.	KPIT Technologies Limited .....	2	-	-	7,000	6,01,055
15.	Lakshmi Overseas Industries Limited .....	2	-	-	26,800	45,91,655
16.	Manugraph India Limited .....	2	-	-	1,000	2,61,177
17.	NTPC Limited .....	10	-	-	2,000	5,34,160
18.	Piramal Phytocare Limited .....	10	-	-	350	35,900
19.	Reliance Communications Limited .....	5	-	-	1,000	2,41,162
20.	Reliance Industries Limited .....	10	10,000	22,55,581	20,862	47,05,593
21.	Sintex Industries Limited .....	1	2,775	6,26,937	2,775	6,26,937
22.	Standard Industries Limited .....	5	1,24,04,487	18,21,90,871	1,24,04,487	18,21,90,871
23.	State Bank of India .....	1(10)	20,000	22,35,147	2,000	22,35,147
24.	Sun Pharma Advance Research Co. Ltd .	1	-	-	1,508	1,33,699
25.	Tata Steel Limited .....	10	5,000	13,49,369	8,133	21,94,884
26.	TRF Ltd. ....	10	-	-	5,000	25,20,667
27.	Virat Industries Limited. ....	10	34,250	3,42,500	34,250	3,42,500
28.	Wipro Ltd. ....	2	7,000	7,47,902	8,167	8,72,588
29.	Zicom Electronics Security Systems Ltd.	10	-	-	10,500	25,40,784
	Less : Provision for Diminution in value of Investments .....			-		(24,13,023)
	<b>Total B(i)</b>			<b>23,33,16,255</b>		<b>27,87,76,878</b>
<b>(ii) Unquoted (Fully Paid) :</b>						
(1)	Federal-Mogul Bearings India Limited .....	10	582	55,290	582	55,290
(2)	Marico Kaya Enterprises Ltd. ....	10	-	-	2	-
(3)	Sarju International Limited .....	10	25,000	-	25,000	-
(4)	SIP Technologies and Exports Ltd. ....	10	3,000	-	3,000	-
(5)	Stanrose Fund Management Services Limited	100	950	95,000	950	95,000
(6)	Welspun Enterprises Ltd. ....	10	-	-	7	-
(7)	Wipro enterprises Limited .....	10	1,633	1,83,431	1,633	1,83,431
	<b>Total B(ii)</b>			<b>3,33,721</b>		<b>3,33,721</b>
	<b>Total B</b>			<b>23,36,49,976</b>		<b>27,91,10,599</b>

# STANROSE MAFATLAL

(Amount in Rupees)

Sr. Particulars No.	Face Value per Share / Unit	As at 31-3-2015		As at 31-3-2014	
		Qty. (No.)	At Cost or Book Value	Qty. (No.)	At Cost or Book Value
<b>(C) In Other Investments</b>					
<b>Unquoted (Non-Traded) :</b>					
1. 8.30% G.S.D.L. - 2017 A/c .....	100	-	-	1,900	1,86,200
2. 9.50% SBI Bonds SRS -2, 2025 A/c .....	10,000	-	-	3	30,000
3. 8.39% Tamilnadu GS 2017 A/c .....	100	-	-	450	44,055
	<b>Total C</b>				<b>2,60,255</b>
<b>(D) In Other Investments</b>					
Farewell - Painting .....			<b>22,50,000</b>		<b>22,50,000</b>
	<b>Total D</b>		<b>22,50,000</b>		<b>22,50,000</b>
	<b>Total. (A + B + C + D)</b>		<b>23,69,02,982</b>		<b>28,16,20,854</b>

## NOTES :

(a) Aggregate Value of Quoted Investments:		
Cost/Book Value .....	<b>23,33,16,255</b>	27,87,76,878
Market Value .....	<b>53,87,77,948</b>	43,46,16,789
(b) Aggregate Value of Unquoted Investments:		
Cost/Book Value .....	<b>35,86,727</b>	28,43,976

Particulars	As at	As at	Particulars	As at	As at
	31-3-2015	31-3-2014		31-3-2015	31-3-2014
	Rupees	Rupees		Rupees	Rupees

## 8. DEFERRED TAX ASSETS

Deferred Tax Assets / (Liabilities) as at year end :		
Reversal On account of Deprn. On account of Provisions for :		
-- Standard Assets	<b>2,19,004</b>	1,62,225
-- Leave Encashment	<b>3,02,782</b>	2,87,341
<b>Total</b>	<b>17,89,124</b>	<b>12,05,520</b>

## 9. LONG TERM LOANS & ADVANCES

(Unsecured Considered Good)		
Unsecured Loan to Related Party*	<b>13,56,43,187</b>	6,40,96,558
Loans to Staff	<b>7,26,947</b>	6,37,568
Accrued Interest on staff loans	<b>1,02,288</b>	76,088
<b>Total</b>	<b>13,64,72,422</b>	<b>6,48,10,214</b>

\* Note : Unsecured Loans given to Stan Plaza Ltd. (SPL) is pursuant to the understanding entered into between the Company, Standard Industries Ltd. (SIL) & SPL. According to the same, SPL has taken exposure in a Real Estate Business company, and also purchased Land admeasuring around 104 ares at Pune. SPL will be facilitating on behalf of the Company & SIL as the case may be, for which it will charge a lump sum fee @ 5% of the benefits to be received. Further the benefits and losses as the case may be, from the exposure in real estate business company will be solely belong the Company and for that of land at pune equally by the Company & SIL.

## 10. CURRENT ASSETS :

Particulars	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
<b>STOCK IN TRADE</b> (At lower of cost or net realisable value)	<b>15,54,438</b>	<b>14,90,886</b>

Note : Statement of Stock in Trade Investments (Inventories) is as under :

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.)		As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
			As at 31-3-2015	As at 31-3-2014		
<b>(A) Equity Shares (Quoted) :</b>						
1.	Amtek India Limited	2	500	-	29,201	-



**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Sr. No.	Name of the Company / Mutual Fund	Face Value Rs.	Closing As at 31-3-2015	Stock (Qty.) As at 31-3-2014	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
2.	Ankur Drug & Pharma Limited	5	300	300	1,179	1,179
3.	Delta Corporation Limited	1	500	-	45,560	-
4.	Escorts Limited	10	500	-	65,253	-
5.	Elder Pharma Limited	10	-	250	-	50,113
6.	Everest Kanto Cylinder Limited	2	-	550	-	9,174
7.	Great Offshore Limited	10	500	-	41,024	-
8.	Hanung Toys & Tex Limited	10	-	250	-	6,187
9.	Helios & Matheson Info. Tech. Ltd.	10	500	-	28,554	-
10.	Hindustan Copper Limited	5	-	350	-	24,010
11.	Hindustan Oil Exploration Co. Ltd.	10	6,800	7,000	3,24,326	3,32,150
12.	Jain Irrigation Systems Limited	2	500	-	33,113	-
13.	Jaiprakash Associates Limited	2	-	500	-	26,850
14.	Nestle India Limited	10	147	147	7,36,198	7,36,198
15.	Torrent Power Limited	10	-	400	-	37,460
16.	Tata Power Limited	1	-	1,300	-	1,10,240
17.	Tata Steel Limited	10	400	-	1,40,360	-
18.	Zandu Realty Limited	100	-	175	-	1,57,325
<b>Total (A)</b>					<b>14,44,768</b>	<b>14,90,886</b>
Market Value					<b>16,10,273</b>	<b>14,90,886</b>
Cost					<b>14,44,768</b>	<b>15,99,324</b>
<b>(B) In other Investments :</b>						
1.	10% ICICI Bank Bond - 2017 A/c		11	-	1,10,935	-
Total (B)					<b>1,10,935</b>	<b>-</b>
Market Value					<b>1,09,670</b>	<b>-</b>
Cost					<b>1,10,935</b>	<b>-</b>
Total [ A+B ]					<b>15,55,703</b>	<b>14,90,886</b>
Total Market Value					<b>17,19,943</b>	<b>14,90,886</b>
Total Cost					<b>15,55,703</b>	<b>15,99,324</b>
Lower of cost or net realisable value / Market Value					<b>15,54,438</b>	<b>14,90,886</b>

	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees		As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
<b>TRADE RECEIVABLES</b>					
(Unsecured Considered good unless otherwise stated)			Rs. 49,66,846 (Previous Year Rs. 42,47,448) in respect of Unpaid Dividend Accounts)		
Outstanding for a period exceeding six months from the Due date .....	-	-	Cash on hand	2,76,119	4,69,226
Others .....	9,88,328	14,39,657		<b>72,01,414</b>	<b>1,12,77,459</b>
	<b>9,88,328</b>	<b>14,39,657</b>	<b>SHORT-TERM LOANS AND ADVANCES</b>		
<b>CASH AND BANK BALANCES</b>			(Unsecured, considered good)		
Cash and Cash Equivalent :			Sundry Deposits	1,26,475	1,26,475
Balance with Banks in Current Accounts (Including	69,25,295	1,08,08,233	Intercompany Deposits	13,00,00,000	12,45,00,000
			Other advances recoverable in cash or in kind or for value to be received	10,38,746	28,30,010

## STANROSE MAFATLAL

	As at 31-3-2015 Rupees	As at 31-3-2014 Rupees
Current Maturity of Loan and Advances to Staff	2,70,000	3,07,462
Advance Payment of Income Tax and TDS (Net)	—	1,17,35,561
Prepaid Expenses	2,02,234	1,63,927
	<u>13,16,37,455</u>	<u>13,96,63,435</u>
<b>OTHER CURRENT ASSETS</b>		
Interest Receivable	98,66,496	—
	<u>98,66,496</u>	<u>—</u>
Total	<u>15,12,48,131</u>	<u>15,38,71,437</u>
	<b>Year ended 31-3-2015 Rupees</b>	<b>Year ended 31-3-2014 Rupees</b>

### 11. REVENUE FROM OPERATIONS

Interest on ICD & Loan .....	1,98,89,911	1,05,76,103
Dividend Income .....	1,23,06,361	1,29,68,137
Profit from Trading of Shares and Securities *	20,20,085	14,01,398
Profit on Sale of Investments (Net)	7,27,90,229	4,80,33,721
Total	<u>10,70,06,586</u>	<u>7,29,79,359</u>

\* Note :

Details of profit from Trading in

Shares and Securities are as under :

Sales .....	10,79,51,798	15,14,54,170
Closing Stock .....	15,54,438	14,90,886
Total (A) .....	10,95,06,236	15,29,45,056
Less : Opening Stock .....	14,90,886	4,69,54,975
Purchases .....	10,59,95,265	10,45,88,683
Total (B) .....	10,74,86,151	15,15,43,658
Total (A-B) .....	20,20,085	14,01,398

### 12. OTHER INCOME

Interest on Loan to Employees .....	48,546	31,795
Interest on Income Tax .....	1,03,044	-
Profit on Sale of Fixed Assets	18,611	650
Miscellaneous Income .....	11,019	51,552
Total	<u>1,81,220</u>	<u>83,997</u>

### 13. EMPLOYEE BENEFIT EXPENSES

Salaries, Wages and Allowances .....	63,23,280	51,21,187
Bonus .....	1,09,900	1,18,300
Contribution to Provident & Other Funds .....	8,07,902	8,93,243
Staff Welfare Expenses ....	6,43,207	6,11,727
Total .....	<u>78,84,289</u>	<u>67,44,457</u>

### 14. OTHER EXPENSES

Rent :

Service and Amenities charge .....	24,47,200	24,47,200
Leave and License fees	19,75,316	19,75,316
Rates & Taxes .....	4,14,502	13,39,313

Repairs & Maintenance :

-- Building .....	1,600	5,80,488
-- Others .....	11,87,495	10,55,289
Insurance .....	1,39,532	1,45,061
Printing & Stationery .....	4,59,839	2,03,197
Postage and Telephone .....	6,99,081	6,33,461
Advertisement .....	65,607	97,984
Payment to Auditors .....	3,32,612	2,58,428
Directors' Fees .....	2,05,000	1,80,000
Commission to Directors .....	20,60,000	11,60,000

Legal & Professional Charges :

Legal & Professional Charges .....	7,55,569	4,41,375
Retainership fees .....	6,33,639	14,06,800
General Charges .....	6,15,133	17,36,540
Presentation Articles .....	3,10,415	9,78,114
Electricity Charges .....	7,78,674	7,14,927
Computer Expenses .....	3,68,727	1,52,568
Motor Car expenses .....	18,33,238	14,67,532
Travelling & Conveyance :		
Travelling .....	25,72,881	9,92,501
Foreign Travel .....	31,64,123	38,10,446
Membership & Subscription	1,50,343	56,467
Miscellaneous Expenses ...	36,51,855	6,85,839
Donation .....	7,15,000	4,00,000
Provision for Standard Assets .....	1,75,000	1,50,000
Provision for diminution in Value of Investments .....	-	24,13,023
Total	<u>2,57,12,381</u>	<u>2,54,81,869</u>

Note : Payment to Auditors

(Including Service-tax) :

Auditors' remuneration includes

the following amounts paid or

adjusted as paid to them

during the year :

(a) As Auditors .....	2,66,855	1,85,394
(b) For Tax Audit .....	28,090	22,472
(c) For Certification Work	37,667	50,562

Total 3,32,612 2,58,428

### 15. CONTINGENT LIABILITIES :

Contingent Liabilities not provided for in respect of disputed demand of Income-tax for which the Company is either in appeal or the effect of the Orders in appeal

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

awaited is of Rs. 4,99,090/- (Previous Year Rs. 1,53,10,513/-).

**16.** The Company is not holding and accepting deposits. Further, the total assets of the Company being less than Rs. 500 Crores, the Prudential Norms on Credit and Investment Concentration and Capital Adequacy are not applicable to it. The Company has complied with all other norms on Income Recognition, Accounting Standards, Assets Classification, Provisioning for Bad and Doubtful Debts & Standard Assets and other related matters as prescribed under the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 as amended.

### 17. SEGMENT INFORMATION :

The Company is primarily engaged in the business of Intercorporate Investments, Capital Market Activities and Financing. Accordingly there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', prescribed under Companies (Accounts) Rules, 2014.

**18.** There are no Micro, Small and Medium Enterprises to whom the Company owes dues which are outstanding as at the Balance Sheet date.

### 19. LEASES :

The Company has an operating Lease rented facility at Mumbai with lock-in-period of 60 months from the date of its commencement. The future rent payments for the facility are as under:

	Year ended 31-3-2015 Rupees	Year ended 31-3-2014 Rupees
Minimum future lease payments		
Not later than one year	6,80,226	17,82,000
Later than one year and not later than five years	-	6,80,226
	<u>6,80,226</u>	<u>24,62,226</u>

### 20. EMPLOYEE BENEFITS :

(a) The accruing liability on account of gratuity (retirement benefit in the nature of defined benefits plan) is accounted as per the Accounting Standard 15 "Employee benefits", prescribed under the Companies (Accounts) Rules, 2014.

	Year ended 31-3-2015 Rupees	Year ended 31-3-2014 Rupees
--	-----------------------------------	-----------------------------------

#### Status of the Gratuity as required under AS 15 :

##### I. Components of Employers' Expense

##### recognised in Statement of Profit and Loss

(a) Current Service Cost	1,46,641	1,06,738
(b) Interest Cost	2,75,750	2,47,589
(c) Expected Return on Plan Assets	(2,83,863)	(2,52,630)
(d) Net Actuarial Loss / (Gain) recognised in year.	1,29,970	3,07,583

**Total Expense recognised in Statement of Profit and Loss** 2,68,498 4,09,280

##### II. Net Asset / (Liability) recognised in Balance Sheet:

(a) Present value of Obligation	37,49,763	30,39,507
(b) Fair Value of Plan Assets	(36,23,186)	(34,48,787)
(c) Present value of Unfunded Obligation	1,26,577	(4,09,280)

**Net (Asset) / Liability recognised in Balance Sheet** 1,26,577 (4,09,280)

##### III. Changes in Defined Benefit Obligations (DBO) during the year :

(a) Opening Present Value of Obligation	30,53,712	30,94,860
(b) Current Service Cost	1,46,641	1,06,738
(c) Interest Cost	2,75,750	2,47,589
(d) Actuarial (Gain) / Loss	1,47,083	2,73,183
(e) Benefit Paid	-	(2,73,583)

**Present Value of Obligation at the year end** 36,23,186 34,48,787

##### IV. Changes in the fair value of plan assets during the year :

(a) Opening fair value of plan assets	30,39,507	29,03,794
(b) Expected return	2,83,863	2,52,630
(c) Actuarial Gain / (Loss)	17,113	(34,400)
(d) Contributions by employer	4,09,280	1,91,066
(e) Benefit Paid	-	(2,73,583)

**Fair Value of Plan Assets at the year end** 37,49,763 30,39,507

##### V. Actuarial Assumptions

(a) Discount Rate (per annum)	7.80%	9.03%
(b) Annual Increase in Salary Cost	6.00%	6.00%
(c) Expected Return on Plan Assets	8.75%	8.70%

#### Past five years data for Defined benefit obligations and fair value of plan asset :

Particulars	(Amount in Rupees)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Present Value of defined benefit Obligation at the end of the year (By Independent Actuary)	24,10,259	26,85,777	30,94,860	34,48,787	36,23,186
Fair Value of Plan assets at the end of the year	24,16,119	26,07,123	29,03,794	30,39,507	37,49,763
Net (Asset) / Liability at the end of the year	(5,860)	78,654	1,91,066	4,09,280	(1,26,577)

## STANROSE MAFATLAL

To fund the obligations under the gratuity plan Contributions are made to the Gratuity Fund created by the Company which invests the funds in following manner.

No.	Particulars	% Investments
1.	Insurer Managed Funds	97.54%
2.	CBI Special Deposit Scheme	2.46%
	Total	<u>100.00 %</u>

(b) The liability for leave encashment and compensated absences as at the year end is Rs. 9,33,217 (*Previous Year Rs. 8,85,626*).

### 21. EARNING PER SHARE :

The details of Basic and Diluted Earnings per share are as under :

Particulars	Year ended <u>31-3-2015</u>	Year ended <u>31-3-2014</u>
Profit after tax (Rs.) .....	<b>4,80,49,247</b>	3,30,84,028
No. of Equity Shares .....	<b>39,67,920</b>	39,67,920
Basic & Diluted Earnings per Share (Rs.) .....	<b>12.11</b>	8.34
Nominal Value of each Equity Share (Rs.) .....	<b>10.00</b>	10.00

### 22. AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS:

The Company has not made any remittance in foreign currencies on account of dividends and does not have information as to the extent to which remittance in foreign currencies on account of dividends may have been made by or on behalf of non-resident shareholders. The Particulars of dividends paid during the year to non-resident shareholders are as under:

Year to which Dividend relates .....	<b>2013-14</b>	2012-2013
Number of Non-Resident Shareholders .....	<b>26</b>	24
Number of Equity Shares held by them on which Dividend was due .....	<b>6,781</b>	6,709
Amount in rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders .....	<b>Rs. 40,686</b>	Rs. 40,254

### 23. Related Party Transactions :

#### (A) Name of related parties and description of relationship :

- (1) Subsidiary Company
  - Stanrose Mafatlal Lubechem Limited - In Liquidation
  - Stan Plaza Limited [Wholly owned Subsidiary from 13/03/2015]
- (2) Significant holding by Stanrose Mafatlal Investments and Finance Limited (SMIFL)
  - Standard Industries Limited (SIL)
  - Stanrose Fund Management Services Limited
- (3) Controlling Companies having significant holding in SMIFL
  - Shanudeep Pvt. Ltd.
  - Sheiladeep Investments Pvt. Ltd.
  - Vinadeep Investments Pvt. Ltd.
  - Gagalbhai Investments Pvt. Ltd.
  - Pradeep Investments Pvt. Ltd.
- (4) Enterprises Controlled by SMIFL
  - SMIFL Officers' Superannuation Scheme
  - SMIFL Officers' Provident Fund
  - SMIFL Employees' Provident Fund
  - SMIFL Employees' Gratuity Fund
- (5) Key Managerial Personnel
  - Shri Bharat N. Dave - Chief Executive Officer
  - Shri Girish R. Shah - Vice President & Company Secretary
  - Shri Harshad V. Mehta - Chief Financial Officer

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

(Amount in Rupees)

Particulars	Subsidiary Company		Companies with significant holding by SMIFL & Controlling Companies		Enterprises Controlled by the Company		Key Managerial Personnel		Total	
	Year 2014-15	Year 2013-14	Year 2014-15	Year 2013-14	Year 2014-15	Year 2013-14	Year 2014-15	Year 2013-14	Year 2014-15	Year 2013-14
<b>(A) Volume of Transactions :</b>										
Expenses: Leave and Licence Fees & Other Services :	—	—	44,22,516	44,22,516	—	—	—	—	44,22,516	44,22,516
Shanudeep Private Limited	—	—	—	—	—	—	—	—	—	—
Security Charges Reimbursed :	63,000	—	—	63,000	—	—	—	—	63,000	63,000
Stan Plaza Limited	—	—	—	—	—	—	—	—	—	—
Expenses Reimbursed:	—	—	72,967	—	—	—	—	—	72,967	—
Stanrose Fund Mngt. Services Ltd.	—	—	—	—	—	—	—	—	—	—
<b>Remuneration :</b>										
Shri B. N. Dave	—	—	—	—	—	—	9,74,264	—	9,74,264	—
Shri G. R. Shah	—	—	—	—	—	—	9,32,409	8,03,379	9,32,409	8,03,379
Shri H.V.Mehta	—	—	—	—	—	—	7,33,242	6,89,970	7,33,242	6,89,970
<b>Purchase of Investments:</b>										
Stanplaza Limited	10,03,006	—	—	—	—	—	—	—	10,03,006	—
SMIFL Employee's Gratuity Fund	—	—	—	—	—	2,60,255	—	—	—	2,60,255
SMIFL Officers P. F.	—	—	—	—	1,10,935	—	—	—	1,10,935	—
<b>Sale of Investments:</b>										
SMIFL Employee's P. F.	—	—	—	—	1,37,200	—	—	—	1,37,200	—
SMIFL Officer's P. F.	—	—	—	—	93,055	—	—	—	93,055	—
SMIFL Officers' S. S.	—	—	—	—	30,000	—	—	—	30,000	—
<b>Dividend Received:</b>										
Standard Industries Limited	—	—	93,03,365	93,03,365	—	—	—	—	93,03,365	93,03,365
<b>Loan given</b>										
Stan Plaza Limited	7,15,46,629	—	—	—	—	—	—	—	7,15,46,629	—
<b>Dividend Paid:</b>										
Shanudeep Private Limited	—	—	58,80,468	58,80,468	—	—	—	—	58,80,468	58,80,468
Sheiladeep Investments Pvt. Ltd.	—	—	23,41,782	23,41,782	—	—	—	—	23,41,782	23,41,782
Vinadeep Investments Pvt. Ltd.	—	—	25,19,220	25,19,220	—	—	—	—	25,19,220	25,19,220
Gagalbhai Investments Pvt. Ltd.	—	—	2,62,356	2,62,356	—	—	—	—	2,62,356	2,62,356
Pradeep Investments Pvt. Ltd.	—	—	1,08,720	1,08,720	—	—	—	—	1,08,720	1,08,720
Standard Industries Limited	—	—	1,14,054	1,13,934	—	—	—	—	1,14,054	1,13,934
<b>(B) Balances at the Year end:</b>										
Stan Plaza Limited	13,56,43,187	—	—	6,40,96,558	—	—	—	—	13,56,43,187	6,40,96,558

## STANROSE MAFATLAL

24. Foreign Currency Transactions :	Year ended 31-3-2015	Year ended 31-3-2014
Travelling Expenses	Rs. 11,86,329	Rs. 11,65,358
Total	Rs. 11,86,329	Rs. 11,65,358

### 25. Disclosure about Loans /Advances and Investments in own shares by the Company in its Subsidiaries and Associates etc. as required by Clause No. 32 of Listing Agreement

Particulars	Amount in Rupees	
	Outstanding Balance as on 31-3-2015	Maximum Outstanding during the year
Loans to Subsidiaries :		
Stan Plaza Limited	13,56,43,187	13,56,43,187
Loans and Advances in the nature of loan where there is:		
(a) No Interest or interest below Section 186 of the Companies Act,2013	—	—
(b) Loans to Employees (in ordinary course of business)	9,96,947	11,24,601

#### Notes :

None of the Loanees named hereinabove has made any investment in the Equity Capital of the Company or its Subsidiary except negligible holding with some of the employees.

### 26. DISCLOSURE OF DETAILS AS REQUIRED UNDER PARA 13 OF NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007.

Particulars	Amount in Rupees		Category	Amount in Rupees		
	As at 31-03-2015 Amount Overdue	Amount Outstanding		As at 31-03-2015 Amount net of provisions Secured Unsecured Total		
<b>LIABILITIES SIDE</b>						
(1) Loans and Advances availed by the Company (Inclusive of interest accrued thereon but not paid) :	—	—	(a) Related Parties :			
			(i) Subsidiaries	—	13,56,43,187	13,56,43,187
			(ii) Companies in the same group	—	—	—
			(iii) Other related parties	—	—	—
<b>ASSETS SIDE</b>						
(2) Break-up of Loans and Advances (Including bills receivable) (Other than those included in (3) below) :			(b) Other than related parties	—	13,00,00,000	13,00,00,000
(a) Secured	—	—	<b>Total</b>		<b>26,56,43,187</b>	<b>26,56,43,187</b>
(b) Unsecured	—	26,56,43,187				
(3) Break-up of Leased Assets, Stock on hire and other assets counting towards AFC activities :			(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
(a) Leased Assets	—	—				
(b) Stock on hire	—	—				
(c) Other Loans counting towards AFC activities	—	—				
(4) Break-up of Investments:						
(a) <b>Current Investments:</b>						
Quoted :						
Equity Shares	N.A.	14,44,768	(a) Related Parties :			
Government Securities	N.A.	—	Subsidiary Companies	10,03,006	10,03,006	
Other Securities	N.A.	1,09,670	Companies in the same group	—	—	
(b) <b>Long Term investments :</b>			Other related parties	27,16,58,265	18,21,90,871	
Quoted :			(b) Other than related parties	26,78,36,620	5,30,13,542	
Equity Shares	N.A.	23,33,16,255	<b>Total</b>	<b>54,04,97,891</b>	<b>23,62,07,419</b>	
Other Investment	—	—				
Unquoted :						
Equity Shares	N.A.	13,36,726				
Other Investments [Paintings]	—	22,50,000				

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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

27. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our Report attached.  <b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i>  <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 29th May, 2015	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.  <b>P. R. MAFATLAL</b> <i>Chairman</i>  <b>H. V. MEHTA</b> <i>Chief Financial Officer</i>
	Mumbai, Dated : 29th May, 2015  Ahmedabad, Dated : 29th May, 2015  <b>G. R. SHAH</b> <i>Vice President (Legal) &amp; Company Secretary</i>

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF  
STANROSE MAFATLAL INVESTMENTS  
AND FINANCE LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Stanrose Mafatlal Investments and Finance Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in subparagraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

**Other matters**

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs.15,67,80,364 as at 31st March, 2015,



## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

total revenues of Rs.20,86,653 and net cash flows amounting to Rs.1,02,624 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
    - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
    - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
    - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 16 to the consolidated financial statements;
    - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India.

*For C. C. CHOKSHI & CO.*  
*Chartered Accountants*  
*(Firm Registration No. 101876W)*

**GAURAV J. SHAH**  
*Partner*  
*[Membership No. 35701]*

*Ahmedabad,*  
*Dated : 29th May, 2015*

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In respect of the subsidiary company which has not been audited by us, in our opinion, and according to the information and explanations given to us, reporting under the Order is applicable in respect of the entity.

Having regard to nature of the Holding Company's and Subsidiary Company's business/activities/results, clauses (ii) and (vi) of CARO are not applicable.

(1) In respect of the fixed assets of the Holding Company and subsidiary company:

- (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.

(2) The Holding Company and subsidiary company have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.

(3) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company and subsidiary company commensurate with the size of the respective entities and the nature of their business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, no major weakness in such internal control system has been observed.

(4) According to the information and explanations given to us, the Holding Company and subsidiary company have not accepted any deposit during the year from public within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(5) According to the information and explanations given

to us, in respect of statutory dues of the Holding Company and subsidiary company:

- (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
- (b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes by the aforesaid entities are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs.)
IncomeTax Act, 1961	Income Tax	ITAT	2004-05 2007-08	4,29,455
	Income Tax	Asstt. Comm.	2008-09	69,635

(6) The Group does not have consolidated accumulated losses at the end of the financial year and the Group, have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

(7) In our opinion and according to the information and explanations given to us, the Holding Company and subsidiary company have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

(8) According to the information and explanations given to us, the Holding Company and subsidiary company have not given guarantees for loans taken by others from banks and financial institutions.

(9) In our opinion and according to the information and explanations given to us, the Holding Company

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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

and subsidiary company has not raised any Term Loan during the year under review and hence question of its application does not arise.

- (10) To the best of our knowledge and according to the information and explanations given to us, no

fraud by the Holding Company and its subsidiary companies and no material fraud on the Holding Company and its subsidiary company has been noticed or reported during the year.

*For C. C. CHOKSHI & CO.*  
*Chartered Accountants*  
*(Firm Registration No.101876W)*

**GAURAV J. SHAH**

*Ahmedabad,*

*Dated : 29th May, 2015*

*Partner*

*[Membership No. 35701]*

**STANROSE MAFATLAL****CONSOLIDATED BALANCE SHEET as at 31st March, 2015**

(Amount in Rupees)

Particulars	Note No.	As at 31-3-2015
<b>I Equity and Liabilities :</b>		
<b>Shareholders' Funds :</b>		
Share Capital .....	2	3,96,79,200
Reserves and Surplus .....	3	46,03,63,533
		<u>50,00,42,733</u>
<b>Non-current Liabilities : .....</b>		
Long Term Borrowings .....		1,97,73,986
Long Term Provisions .....		12,78,217
		<u>2,10,52,203</u>
<b>Current Liabilities : .....</b>		
Trade Payables .....		15,71,328
Other Current Liabilities .....		79,70,630
Short-term Provisions .....		2,98,22,785
		<u>3,93,64,743</u>
Total .....		<u>56,04,59,679</u>
<b>II ASSETS :</b>		
<b>Non-current Assets</b>		
<b>Fixed Assets : .....</b>		
Tangible Assets .....		3,87,00,363
Intangible Assets .....		70,66,060
Goodwill on Consolidation .....		5,02,936
<b>Non-current Investments .....</b>	<b>7</b>	<b>27,42,68,441</b>
<b>Deferred Tax Assets (Net) .....</b>	<b>8</b>	<b>17,89,124</b>
<b>Long Term Loans and Advances .....</b>	<b>9</b>	<b>8,53,95,731</b>
		<u>40,77,22,655</u>
<b>Current Assets : .....</b>		
Stock-in Trade .....		15,54,438
Trade Receivables .....		9,88,328
Cash and Cash Equivalents .....		76,36,117
Short Term Loans and Advances .....		13,16,37,455
Other Current Assets .....		1,09,20,686
		<u>15,27,37,024</u>
Total .....		<u>56,04,59,679</u>
Summary of Significant Accounting Policies .....	1	
See accompanying notes to the financial statements		

<p>In terms of our Report attached.</p> <p style="text-align: center;"><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i></p> <p style="text-align: center;"><b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated :29th May, 2015</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p style="text-align: right;"><b>P. R. MAFATLAL</b> <i>Chairman</i></p> <p style="text-align: right;"><b>H. V. MEHTA</b> <i>Chief Financial Officer</i></p> <hr/> <p style="text-align: center;">Mumbai, Dated :29th May, 2015</p> <p style="text-align: right;"><b>G. R. SHAH</b> <i>Vice President (Legal) &amp; Company Secretary</i></p>
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**CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2015**

(Amount in Rupees )

Particulars	Note No.	Year ended 31-03-2015
Revenue from Operations .....	11	10,90,59,489
Other Income .....	12	2,14,970
Total Revenue		<u>10,92,74,459</u>
<b>Expenses :</b>		
Employee benefit expenses .....	13	78,84,289
Depreciation and amortisation .....		36,11,241
Other Expenses .....	14	2,57,69,393
Finance Costs .....	15	15,58,784
Total Expenses		<u>3,88,23,707</u>
<b>Profit before Taxes</b> .....		<b>7,04,50,752</b>
<b>Tax Expense :</b>		
Current Tax .....		1,19,21,000
Deferred Tax .....		(5,83,604)
		<u>5,91,13,356</u>
<i>Short/Excess Provision of Taxation in respect of earlier Years [Net]</i>		<b>1,07,14,252</b>
<b>Profit for the year</b> .....		<u><b>4,83,99,104</b></u>
<b>Earnings per equity share [Refer Note 21]:</b>		
Basic .....		<b>12.20</b>
Diluted .....		<b>12.20</b>

Summary of Significant Accounting Policies ..... 1

See accompanying notes to the financial statements

<p>In terms of our Report attached.</p> <p><b>For C.C. CHOKSHI &amp; CO.</b> Chartered Accountants</p> <p><b>GAURAV J. SHAH</b> Partner Ahmedabad, Dated :29th May, 2015</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p style="text-align: right;"><b>P. R. MAFATLAL</b> Chairman</p> <p style="text-align: right;"><b>H. V. MEHTA</b> Chief Financial Officer</p> <hr/> <p style="text-align: right;"><b>G. R. SHAH</b> Vice President (Legal) &amp; Company Secretary</p>
	<p>Mumbai, Dated :29th May, 2015</p> <hr/> <p>Ahmedabad, Dated :29th May, 2015</p>

**STANROSE MAFATLAL****CONSOLIDATED CASH FLOW STATEMENT** for the year ended on  
31st March, 2015 (Amount in Rupees)

	Year ended 31-3-2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
<b>NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT &amp; LOSS</b>	7,04,50,752
Adjustments for :	
Depreciation and amortisation .....	36,11,241
Income from Investments .....	(7,27,90,229)
Profit on Fised Assets Sold .....	(18,611)
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES ....</b>	<b>12,53,153</b>
<b>Changes in Working Capital</b>	
Adjustments for :	
Trade Receivables .....	(84,14,800)
Purchase of Investments .....	(1,24,46,296)
Sale of Investments .....	11,85,11,107
Inventories - Stock in trade .....	(63,552)
Long-term Loans and Advances .....	(1,15,579)
Short-term Loans and Advances .....	(37,09,581)
Other current assets .....	(98,66,496)
Trade Payables .....	93,72,655
Other Current Liabilities .....	4,09,793
Long-term Provisions .....	2,27,591
Short-term Provisions .....	(1,45,782)
<b>CASH GENERATED FROM OPERATIONS .....</b>	<b>9,50,12,213</b>
Direct Taxes (Paid) .....	(1,01,89,742)
<b>CASH FLOW FROM OPERATING ACTIVITIES (A) .....</b>	<b>8,48,22,471</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of Fixed Assets .....	(21,64,831)
Sale of Fixed Assets .....	66,184
Intercorporate Deposits given .....	(77,12,000)
Investment in Subsidiary Company .....	(10,03,006)
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B) .....</b>	<b>(1,08,13,653)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>	
Repayment for Long Term Borrowings .....	(5,21,88,632)
Dividend Paid .....	(2,78,53,608)
<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C) .....</b>	<b>(8,00,42,240)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) .....</b>	<b>(60,33,422)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR .....</b>	<b>1,16,09,538</b>
<b>CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR .....</b>	<b>76,36,117</b>
<b>Notes :</b>	
1) Cash and cash equivalents as at the end of the Year:	
Cash on hand .....	2,76,119
Balances with Banks in Current Accounts* .....	73,59,998
<b>Total</b>	<b>76,36,117</b>

\*Note : Including Rs. 49,66,846 (Previous Year Rs. 42,47,448) in respect of Unpaid Dividend Accounts.

- 2) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement as prescribed under Companies (Accounting Standards) Rules, 2006.

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

<p>In terms of our Report attached.</p> <p align="center"><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i></p> <p align="center"><b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated :29th May , 2015</p>	<p align="center">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p align="right"><b>P. R. MAFATLAL</b> <i>Chairman</i></p> <p align="right"><b>H. V. MEHTA</b> <i>Chief Financial Officer</i></p> <hr/> <p align="right"><b>G. R. SHAH</b> <i>Vice President (Legal) &amp; Company Secretary</i></p>
	<p align="center">Mumbai, Dated :29th May , 2015</p> <hr/> <p align="center">Ahmedabad, Dated :29th May , 2015</p>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**a. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS:**

The consolidated financial statements have been prepared by consolidating financial statements of the subsidiary Stan Plaza Limited with Stanrose Mafatlal Investments and Finance Limited (together referred to as 'the Group'), in accordance with generally accepted accounting principles and in consonance with Accounting Standard 21 (Consolidated Financial Statements). The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

**b. PRINCIPAL OF CONSOLIDATION:**

- (i) The consolidated financial statements comprise the financial statements of Stanrose Mafatlal Investments and Finance Limited and its subsidiary.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of items like assets, liabilities, income and expenses after eliminating intra-group balances/transactions.

These consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar

circumstances. The consolidated financial statements are presented, in the same format as that adopted by holding company for its separate financial statements. The difference between the cost to the Company of its investments in subsidiaries and its proportionate share in the equity of the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital reserve, as the case may be.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in equity, subsequent to the date of investment.

- (ii) The financial statements of following subsidiary have been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as notified under the Companies (Accounts) Rules, 2014.

**Name of the Subsidiary Proportion of effective ownership interest**

Stan Plaza Limited      100% Effective from 13th March, 2015

- (iii) Stanrose Mafatlal Lubechem Limited (SMML) - In Liquidation, a substantially owned subsidiary of Stanrose Mafatlal Investment and Finance Limited has been ordered to be wound-up by the High Court of Mumbai vide its order dated 10th June, 2011 and has appointed official liquidator to take charge of its assets, bank accounts, books of account, affairs, business and properties with all the powers under the provisions of the then prevailing Companies Act, 1956. Accordingly, financial statements of SMML have not been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as notified under the Companies (Accounts) Rules, 2014.

- (iv) Since there was not a single Operational Subsidiary during the previous year, there is nothing to disclose as previous years figures in Consolidated Financial Statements.

**c. USE OF ESTIMATES:**

The presentation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities ( including Contingent Liabilities ) and the reported income and expense during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/materialize.

**d. REVENUE RECOGNITION:**

- (i) Revenue is recognized when no significant uncertainty as to the measurability or collectability exists.
- (ii) Dividend income is accounted for when the right to receive payment is established.
- (iii) Interest income is accounted on accrual basis.

**e. INVESTMENTS:**

Non-current Investments are stated at cost less any provision for diminution in value other than temporary.

**f. STOCK-IN-TRADE:**

Current Investments in Shares and Securities, etc., acquired in the ordinary course of business are stated as Stock-in-trade. Stock-in-trade for each category is valued at cost or Fair Value / Net Asset Value (NAV) whichever is lower.

**g. FIXED ASSETS:**

Fixed Assets are stated at historical cost less accumulated depreciation.

**h. IMPAIRMENT OF FIXED ASSETS :**

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

**i. DEPRECIATION:**

Depreciation on fixed assets is provided on Written Down Value (WDV) method As per the useful life prescribed in Schedule II of the Companies Act, 2013.

**j. RETIREMENT BENEFITS :****Gratuity:**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering

eligible employees through Gratuity Trust Fund created by the Group. The Group Accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting Rate relevant to Government Securities at the Balance Sheet Date.

**Provident Fund:**

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.

**Leave Encashment:**

Cost of earned leave of the employee is estimated at the end of every year and expensed to the Statement of Profit and Loss for the period in which such leave were earned as Personnel Costs.

**k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Liabilities which are of contingent nature are not provided but disclosed at their estimated amount in the Notes to the Financial Statements.

Contingent assets are neither recognized nor disclosed in financial statements.

**l. GENERAL RESERVE II:**

The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-term investments and such amount is credited to General Reserve II.

**m. TAXATION:**

Provision for Current Income tax is made on the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originates in one period and is capable of reversal in one or more subsequent periods.

**n. OPERATING LEASE :**

Lease where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Lease and rentals thereon are charged to the Statement of Profit and Loss.



**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**2. SHARE CAPITAL :**

Particulars	As at 31-3-2015 Rupees
<b>AUTHORISED SHARE CAPITAL :</b>	
<b>50,00,000</b> (Previous Year 50,00,000)	<b>5,00,00,000</b>
Equity Shares of Rs. 10 each with voting rights	
<b>Issued, Subscribed and Paid-up :</b>	
<b>39,67,920</b> (Previous Year 39,67,920)	<b>3,96,79,200</b>
Equity Shares of Rs. 10 each with voting rights	
Total	<b>3,96,79,200</b>

**Notes :**

- (i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :

Outstanding at the beginning of the year	39,67,920
Add : Issued During the year	—
Outstanding at the end of the year	<b>39,67,920</b>

- (ii) Terms/rights attached to equity shares : The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share.

- (iii) Details of Shareholders holding more than 5 percent equity shares:

Particulars		
1. Shanudeep Pvt. Ltd.	Nos.	9,80,078
	% holding	24.70 %
2. Vinadeep Investments Pvt. Ltd.	Nos.	4,19,870
	% holding	10.58 %
3. Sheiladeep Investments Pvt. Ltd.	Nos.	3,90,297
	% holding	9.84 %

**3. RESERVES AND SURPLUS :**

Particulars	As at 31-3-2015 Rupees
<b>Securities Premium Reserve</b>	
Balance as per last Balance Sheet.	9,91,98,000
<b>Reserve U/S.45 IC of RBI Act, 1934:</b>	
Balance as per last Balance Sheet.	10,37,50,000
Add : Amount transferred from Statement of Profit and Loss.	96,50,000
	<b>11,34,00,000</b>
<b>General Reserve No. I :</b>	
Balance as per last Balance Sheet.	12,24,25,000
Add : Transferred from Statement of Profit and Loss	5,75,000
	<b>12,30,00,000</b>

Particulars	As at 31-3-2015 Rupees
<b>General Reserve No. II :</b>	
Balance as per last Balance Sheet.	15,97,977
Add: Transfer from Statement of Profit and Loss	4,02,023
	<b>20,00,000</b>
<b>Statement of Profit and Loss</b>	
Balance as per last Balance Sheet	11,36,47,707
Add : Profit for the year	4,83,99,104
Available for Appropriations	16,20,46,811
Less: Appropriations:	
Transfer to Reserve	
u/s 45 IC of RBI Act, 1934	96,50,000
Proposed Dividend	2,38,07,520
Distribution tax on proposed dividend	48,46,735
Transfer to General Reserve No. I	5,75,000
Transfer to General Reserve No. II	4,02,023
	<b>12,27,65,533</b>
Total	<b>46,03,63,533</b>

**4. NON CURRENT LIABILITIES**

<b>LONG TERM BORROWINGS</b>	
Unsecured	
Loan and advances from related parties:	
Standard Industries Ltd.	1,97,73,986
	<b>1,97,73,986</b>
<b>LONG TERM PROVISIONS</b>	
Provision for Employee Benefits	9,33,217
Contingent Provisions against Standard Assets	3,45,000
	<b>12,78,217</b>
Total	<b>2,10,52,203</b>

**5. CURRENT LIABILITIES**

<b>TRADE PAYABLES</b>	15,71,328
	<b>15,71,328</b>
<b>OTHER CURRENT LIABILITIES</b>	
Other payables	21,69,900
Interest (payable) Accrued and Due	8,33,884
Unclaimed dividend	49,66,846
	<b>79,70,630</b>
<b>SHORT TERM PROVISIONS</b>	
Provision for Employee Benefits	2,68,498
Contingent Provisions against Standard Assets	3,30,000
Proposed Dividend *	2,38,07,520
Provision for Tax on Proposed Dividend	48,46,735
Provision for Taxation (Net of advance tax)	5,70,032
	<b>2,98,22,785</b>
Total	<b>3,93,64,743</b>

\* Note : Dividend proposed Rs. 6/- per Share (Previous Year Rs. 6/- per Share)

# STANROSE MAFATLAL

(Amount in Rupees)

6. FIXED ASSETS :	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As at 1-4-2014	Additions during year	Deductions/ Adjustments during the year	As at 31-3-2015	As at 1-4-2014	For the year	Deductions	Upto 31-3-2015	As at 31-3-2015
<b>Tangible Assets</b>									
Free-hold Land # .....	2,52,90,450	—	—	2,52,90,450	—	—	—	—	2,52,90,450
Building* .....	1,25,06,883	—	—	1,25,06,883	44,26,325	10,21,812	—	54,48,137	70,58,746
Furniture & Fixtures .....	58,68,611	1,28,750	—	59,97,361	40,26,847	9,76,552	—	50,03,399	9,93,962
Office Equipment .....	39,38,912	6,08,355	10,990	45,36,277	21,32,792	3,87,469	9,806	25,10,455	20,25,822
Vehicles .....	1,39,68,838	14,27,726	9,27,770	1,44,68,794	1,07,93,385	12,25,408	8,81,382	1,11,37,411	33,31,383
<b>Intangible Assets</b>									
Tenancy Rights .....	70,66,060	—	—	70,66,060	—	—	—	—	70,66,060
<b>TOTAL .....</b>	<b>6,86,39,754</b>	<b>21,64,831</b>	<b>9,38,760</b>	<b>6,98,65,825</b>	<b>2,13,79,349</b>	<b>36,11,241</b>	<b>8,91,188</b>	<b>2,40,99,402</b>	<b>4,57,66,423</b>

Note : Cost of ownership Tenement in Co-operative Society is grouped under the head 'Buildings' and it includes Cost of Shares of the said Society of the face value of Rs. 250.

# Land at Pune is subject to execution of conveyance deed.

## 7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

Sr. No.	Particulars	Face Value per Share / Unit	Qty. (No.)	As at 31-3-2015 At Cost or Book Value
<b>(A). In Shares of other Companies (At Cost) :</b>				
<b>I. In Equity Shares :</b>				
<b>(i) Quoted (Fully paid) (Non-Traded) :</b>				
1.	BASF India Ltd. ....	10	8,000	16,97,081
2.	Eicher Motors Limited .....	10	1,000	3,84,770
3.	Futura Polyesters Ltd. ....	10	78,300	-
4.	Housing Development Finance Corp. Ltd.	2	1,05,000	22,19,637
5.	HDFC Bank Limited. ....	2	70,000	3,66,38,905
6.	Innovassynth Investments Limited .....	10	25,962	-
7.	ITC Limited .....	1	30,000	26,27,555
8.	Reliance Industries Limited .....	10	10,000	22,55,581
9.	Sintex Industries Limited .....	1	2,775	6,26,937
10.	Standard Industries Limited .....	5	1,24,04,487	18,21,90,871
11.	State Bank of India .....	1	20,000	22,35,147
12.	Tata Steel Limited .....	10	5,000	13,49,369
13.	Virat Industries Limited. ....	10	34,250	3,42,500
14.	Wipro Ltd. ....	2	7,000	7,47,902
	<b>Total A(i)</b>			<b>23,33,16,255</b>
<b>(ii) Unquoted (Fully Paid) :</b>				
1.	Federal-Mogul Bearings India Limited .....	10	582	55,290
2.	Sarju International Limited .....	10	25,000	—
3.	SIP Technologies & Exports Limited	10	3,000	—
4.	Stanrose Fund Management Services Limited	100	950	95,000
5.	Wipro Enterprises Limited .....	10	1,633	1,83,431
6.	Dueville Estates Private Limited .....	10	14,47,714	3,83,68,465
	<b>Total A(ii)</b>			<b>3,87,02,186</b>
	<b>Total A</b>			<b>27,20,18,441</b>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Sr. No.	Particulars	Face Value per Share / Unit Qty. (No.)	As at 31-3-2015 At Cost or Book Value (Rs.)
<b>(B) In Other Investments :</b>			
	Farewell-Painting .....		22,50,000
	<b>Total B</b>		<b>22,50,000</b>
	<b>Total (A+B)</b>		<b>27,42,68,441</b>

**Notes :**

(a) Aggregate Value of Quoted Investments :	
Cost/Book Value	23,33,16,255
Market Value	53,87,77,948
(b) Aggregate Value of Unquoted Investments :	
Cost/Book Value	4,09,52,186

Particulars	As at 31-3-2015 Rupees	Particulars	As at 31-3-2015 Rupees
<b>8. DEFERRED TAX ASSETS</b>		<b>9. LONG TERM LOANS &amp; ADVANCES</b>	
<b>Deferred Tax Assets / (Liabilities) as at year end :</b>		Loans to Staff	
Reversal On account of Depreciation	12,67,338	Unsecured, Considered Good	7,26,947
On account of Provisions for :		Other Loans and Advances	
-- Standard Assets	2,19,004	Unsecured, Considered Good	8,45,66,496
-- Leave Encashment	3,02,782	Accrued Interest on staff loans	1,02,288
<b>Total</b>	<b>17,89,124</b>	<b>Total</b>	<b>8,53,95,731</b>

**10. CURRENT ASSETS :**

Particulars	As at 31-3-2015 Rupees
<b>STOCK IN TRADE</b> (At lower of cost or net realisable value)	<b>15,54,438</b>

Note : Statement of Stock in Trade Investments (Inventories) is as under :

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.) As at 31-3-2015	As at 31-3-2015 Rupees
<b>(A) Equity Shares (Quoted) :</b>				
1.	Amtek Indis Limited	2	500	29,201
2.	Ankur Drug & Pharma Limited	5	300	1,179
3.	Delta Corporation Limited	1	500	45,560
4.	Escorts Limited	10	500	65,253
5.	Great Offshore Limited	10	500	41,024
6.	Helios & Matheson Info. Tech. Ltd.	10	500	28,554
7.	Hindustan Oil Exploration Co. Ltd.	10	6,800	3,24,326
8.	Jain Irrigation Systems Limited	2	500	33,113
9.	Nestle India Limited	10	147	7,36,198
10.	Tata Steel Limited	10	400	1,40,360
	<b>Total A</b>			<b>14,44,768</b>
	<b>Market Value</b>			<b>16,10,273</b>
	<b>Cost</b>			<b>14,44,768</b>

## STANROSE MAFATLAL

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.) As at 31-3-2015	As at 31-3-2015 Rupees
<b>(B) In Other Investments :</b>				
	10% ICICI Bank Bond - 2017 A/c	10,000	11	1,10,935
			<b>Total B</b>	<b>1,10,935</b>
			<b>Market Value</b>	<b>1,09,670</b>
			<b>Cost</b>	<b>1,10,935</b>
			<b>Total (A+B)</b>	<b>15,55,703</b>
			<b>Market Value</b>	<b>17,19,943</b>
			<b>Cost</b>	<b>15,55,703</b>
			<b>Lower of cost or net realisable value / Market value</b>	<b>15,54,438</b>

Particulars	As at 31-3-2015 Rupees	Particulars	Year ended 31-3-2015 Rupees
<b>TRADE RECEIVABLES</b>		<b>11. REVENUE FROM OPERATIONS</b>	
(Unsecured Considered good unless otherwise stated)		Interest .....	2,19,42,814
Outstanding for a period exceeding six months from the Due date .	-	Dividend Income .....	1,23,06,361
Others .....	9,88,328	Profit from Trading of Shares and Securities *	20,20,085
Total	9,88,328	Profit on Sale of Investments (Net)	7,27,90,229
		Total	10,90,59,489
<b>CASH AND BANK BALANCES</b>		* Note :	
Cash and Cash Equivalent :		Details of profit from Trading in Shares and Securities are as under :	
Balance with Banks in Current Accounts (Including Rs. 49,66,846 (Previous Year Rs. 42,47,448) in respect of Unpaid Dividend Accounts)	73,59,998	Sales .....	10,79,51,798
Cash on hand	2,76,119	Closing Stock .....	15,54,438
Total	76,36,117	Total (A)	10,95,06,236
		Less : Opening Stock .....	14,90,886
<b>SHORT-TERM LOANS AND ADVANCES</b>		Purchases .....	10,59,95,265
(Unsecured, considered good)		Total (B)	10,74,86,151
Sundry Deposits	1,26,475	Total (A-B)	20,20,085
Intercompany Deposits	13,00,00,000	<b>12. OTHER INCOME</b>	
Other advances	10,38,746	Interest on Loan to Employees	48,546
Current Maturity of Loan and Advances to Staff	2,70,000	Interest on Income Tax .....	1,03,044
Advance Payment of Income Tax and TDS (Net)	—	Profit on Sale of Fixed Assets	18,611
Prepaid Expenses	2,02,234	Miscellaneous Income .....	44,769
Total	13,16,37,455	Total	2,14,970
<b>OTHER CURRENT ASSETS</b>		<b>13. EMPLOYEE BENEFIT EXPENSES</b>	
Interest Receivable	1,09,20,686	Salaries, Wages and Allowances	63,23,280
	1,09,20,686	Bonus .....	1,09,900
Total	15,27,37,024	Contribution to Provident & Other Funds	8,07,902
		Staff Welfare Expenses ....	6,43,207
		Total	78,84,289

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Particulars	Year ended 31-3-2015 Rupees
<b>14. OTHER EXPENSES</b>	
<b>Rent :</b>	
Service and Amenities charge ..	24,49,600
Leave and License fees .....	19,75,316
Rates & Taxes .....	4,14,502
<b>Repairs &amp; Maintenance :</b>	
Building .....	1,600
Others .....	11,87,495
Insurance .....	1,39,532
Printing & Stationery .....	4,78,256
Postage and Telephone Expenses ..	6,99,081
Advertisement Expenses .....	65,607
Payment to Auditors .....	3,32,612
Directors' Fees .....	2,05,000
Commission to Directors .....	20,60,000
Legal & Professional Charges : .....	
Legal & Professional Charges ...	7,91,764
Retainership fees .....	6,33,639
General Charges .....	6,15,133
Presentation Articles .....	3,10,415
Electricity Charges .....	7,78,674
Computer Expenses .....	3,68,727
Motor Car expenses .....	18,33,238
Travelling & Conveyance :	
Travelling .....	25,72,881
Foreign Travel .....	31,64,123
Membership & Subscription .....	1,50,343
Miscellaneous Expenses .....	36,51,855
Donation .....	7,15,000
Provision for Standard Assets .....	1,75,000
Total	<u>2,57,69,393</u>
<b>Note : Payment to Auditors (Including Service-tax) :</b>	
Auditors' remuneration includes the following amounts paid or adjusted as paid to them during the year :	
(a) As Auditors .....	2,66,855
(b) For Tax Audit .....	28,090
(c) For Certification Work	37,667
Total	<u>3,32,612</u>
<b>15. FINANCE COSTS:</b>	
Interest cost on unsecured borrowings	15,58,784
Total	<u>15,58,784</u>

**16. CONTINGENT LIABILITIES :**

Contingent Liabilities not provided for in respect of disputed demand of Income-tax for which the Group is either in appeal or the effect of the Orders in appeal awaited is of Rs.4,99,090/- (Previous Year Rs.1,53,10,513).

**17. SEGMENT INFORMATION**

The Group is primarily engaged in the business of Intercorporate Investments, Capital Market Activities and Financing. Accordingly there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', prescribed under Companies (Accounts) Rules, 2014.

**18. LEASES**

The Group has an operating Lease rented facility at Mumbai with lock-in-period of 60 months from the date of its commencement. The future rent payments for the facility are as under:

Particulars	Year ended 31-3-2015 Rupees
Minimum future lease payments	
Not later than one year	6,80,226
Later than one year and not later than five years	-
	<u>6,80,226</u>

**19. EMPLOYEE BENEFITS :**

(a) The accruing liability on account of gratuity (retirement benefit in the nature of defined benefits plan) is accounted as per the Accounting Standard 15 "Employee benefits", prescribed under the Companies (Accounts) Rules, 2014.

**Status of the Gratuity as required under AS 15 :**

(Amount in Rs.)

**I. Components of Employers' Expense**

**recognised in Statement of Profit and Loss**

(a) Current Service Cost	1,46,641
(b) Interest Cost	2,75,750
(c) Expected Return on Plan Assets	(2,83,863)
(d) Net Actuarial Loss / (Gain) recognised in year.	1,29,970

**Total Expense recognised in**

**Statement of Profit and Loss**

2,68,498

**II. Net Asset / (Liability) recognised in Balance Sheet:**

(a) Present Value of Obligation	37,49,763
(b) Fair Value of Plan Assets	(36,23,186)
(c) Present Value of Unfunded Obligation	1,26,577

**Net (Asset) / Liability recognised**

**in Balance Sheet**

1,26,577

## STANROSE MAFATLAL

Particulars	Year ended 31-3-2015 Rupees	Particulars	Year ended 31-3-2015 Rupees
<b>III. Changes in Defined Benefit Obligations (DBO) during the year :</b>		<b>IV. Changes in the Fair Value of Plan Assets during the year :</b>	
(a) Opening Present Value of Obligation	30,53,712	(a) Opening Fair Value of Plan Assets	30,39,507
(b) Current Service Cost	1,46,641	(b) Expected Return	2,83,863
(c) Interest Cost	2,75,750	(c) Actuarial Gain / (Loss)	17,113
(d) Actuarial (Gain) / Loss	1,47,083	(d) Contributions by Employer	4,09,280
(e) Benefit Paid	-	(e) Benefit Paid	-
<b>Present Value of Obligation at the year end</b>	<b>36,23,186</b>	<b>Fair Value of Plan Assets at the year end</b>	<b>37,49,763</b>
		<b>V. Actuarial Assumptions</b>	
		(a) Discount Rate (per annum)	7.80%
		(b) Annual Increase in Salary Cost	6.00%
		(c) Expected Return on Plan Assets	8.75%

**Past five years data for Defined benefit obligations and fair value of plan asset :**

(Amount in Rupees)

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Present Value of defined benefit Obligation at the end of the year (By Independent Actuary)	24,10,259	26,85,777	30,94,860	34,48,787	36,23,186
Fair Value of Plan assets at the end of the year	24,16,119	26,07,123	29,03,794	30,39,507	37,49,763
Net (Asset) / Liability at the end of the year	(5,860)	78,654	1,91,066	4,09,280	(1,26,577)

To fund the obligations under the gratuity plan Contributions are made to the Gratuity Fund created by the Group which invests the funds in following manner.

No.	Particulars	% Investments
1.	Insurer Managed Funds	97.54%
2.	CBI Special Deposit Scheme	2.46%
	<b>Total</b>	<b>100.00 %</b>

(b) The liability for leave encashment and compensated absences as at the year end is Rs.9,33,217 (Previous Year Rs.8,85,626).

### 20. Related Party Transactions :

**(A) Name of related parties and description of relationship :**

- (1) Significant holding by Stanrose Mafatlal Investments and Finance Limited (SMIFL)
  - Standard Industries Limited (SIL)
  - Stanrose Fund Management Services Limited
- (2) Controlling Companies having significant holding in SMIFL
  - Shanudeep Pvt. Ltd.
  - Sheiladeep Investments Pvt. Ltd.
  - Vinadeep Investments Pvt. Ltd.
  - Gagalbhai Investments Pvt. Ltd.
  - Pradeep Investments Pvt. Ltd.
- (3) Enterprises Controlled by SMIFL
  - SMIFL Officers' Superannuation Scheme
  - SMIFL Officers' Provident Fund
  - SMIFL Employees' Provident Fund
  - SMIFL Employees' Gratuity Fund
- (4) Key Managerial Personnel
  - Shri B. N. Dave - Chief Executive Officer (W.e.f. 13th May, 2014)
  - Shri G. R. Shah - Vice President (Legal) & Company Secretary
  - Shri H. V. Mehta - Chief Financial Officer

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(B) Related Party Transactions:**

**(Amount in Rupees)**

Particulars	Companies with significant holding by SMIFL & Controlling Companies	Enterprises Controlled by the Group	Key Managerial Personnel	Total
	Year 2014-15	Year 2014-15	Year 2014-15	Year 2014-15
<b>(A) Volume of Transactions :</b>				
<b>Expenses:</b>				
Leave and Licence Fees & Other Services:				
Shanudeep Private Limited	44,22,516	—	—	44,22,516
Expenses Reimbursed:				
Stanrose Fund Management Services Ltd.	72,967	—	—	72,967
<b>Remuneration:</b>				
Shri B. N. Dave	—	—	9,74,264	9,74,264
Shri G. R. Shah	—	—	9,32,409	9,32,409
Shri H. V. Mehta	—	—	7,33,242	7,33,242
<b>Purchase of Investments:</b>				
SMIFL Officers P. F.	—	1,10,935	—	1,10,935
<b>Sale of Investments:</b>				
SMIFL Employees P.F.	—	1,37,200	—	1,37,200
SMIFL Officers P. F.	—	93,055	—	93,055
SMIFL Officers S. S.	—	30,000	—	30,000
<b>Repayment of Loan taken</b>				
Standard Industries Limited	5,21,88,632	—	—	5,21,88,632
<b>Dividend Received:</b>				
Standard Industries Limited	93,03,365	—	—	93,03,365
<b>Dividend Paid:</b>				
Shanudeep Private Limited	58,80,468	—	—	58,80,468
Sheiladeep Investments Pvt. Ltd.	23,41,782	—	—	23,41,782
Vinadeep Investments Pvt. Ltd.	25,19,220	—	—	25,19,220
Gagalbhai Investments Pvt. Ltd.	2,62,356	—	—	2,62,356
Pradeep Investments Pvt. Ltd.	1,08,720	—	—	1,08,720
Standard Industries Limited	1,14,054	—	—	1,14,054

**21. EARNING PER SHARE :**

The details of Basic and Diluted Earnings per share are as under :

Particulars	Year ended	Year ended
	31-3-2015	31-3-2014
Profit after tax (Rs.) .....	4,83,99,104	3,30,84,028
No. of Equity Shares .....	39,67,920	39,67,920
Basic & Diluted Earnings per Share (Rs.) .....	12.20	8.34
Nominal Value of each Equity Share (Rs.) .....	10.00	10.00

## **STANROSE MAFATLAL**

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In terms of our Report attached.  <b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i>  <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 29th May, 2015	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.  <b>P. R. MAFATLAL</b> <i>Chairman</i>  <b>H. V. MEHTA</b> <i>Chief Financial Officer</i>  Mumbai, Dated : 29th May, 2015
	<b>G. R. SHAH</b> <i>Vice President (Legal) &amp; Company Secretary</i>  Ahmedabad, Dated : 29th May, 2015



**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED****Form No. AOC-1****Statement Containing Salient Features of the Financial Statement  
of Subsidiaries/Associate Companies/Joint Ventures**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Part "A":Subsidiaries**

(Amount in Rupees)

1	Name of the Subsidiary	Stan Plaza Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N. A.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N. A.
4	Share capital	5,00,070
5	Reserves & Surplus	(82,285)
6	Total Assets	16,55,92,303
7	Total Liabilities	16,55,92,303
8	Investments	3,83,68,465
9	Turnover	1,00,20,879
10	Profit before taxation	4,65,857
11	Provision for taxation	1,21,000
12	Profit after taxation	3,44,857
13	Proposed Dividend	--
14	% of Shareholding	100%

**Note :**

Stanrose Mafatlal Lubechem Limited – In Liquidation, a substantially owned subsidiary of the Company was ordered to wind-up by the High Court of Mumbai vide its Order dated June 10, 2011 and appointed the Official Liquidator to take charge of its Assets, Bank Accounts, Books of Accounts, Affairs, Business and Properties with all powers under the provisions of the Companies Act, 1956. Hence its details are not disclosed under these form.

**Part "B" : Associates and Joint Ventures**

Not Applicable

In terms of our Report attached.  <b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i>  <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 29th May, 2015	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.  <b>P. R. MAFATLAL</b> <i>Chairman</i>  <b>H. V. MEHTA</b> <i>Chief Financial Officer</i>
	Mumbai, Dated : 29th May, 2015  Ahmedabad, Dated : 29th May, 2015

## **NOTICE**

NOTICE IS HEREBY GIVEN THAT the Thirty-fifth Annual General Meeting of the Members of the Company will be held on Wednesday 12th August, 2015 at 10.30 A.M. at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058, to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No 1. Adoption of Financial Statements**

##### **To consider and adopt:**

- (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
- (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2015 and the Report of Auditors thereon.

#### **Item No 2. Declaration of Dividend**

To declare Dividend on Equity Shares. The Board of Directors has recommended a Dividend of Rs. 6/- per Equity Share of Rs.10/- each.

#### **Item No 3. Appointment of Director**

To appoint a Director in place of Shri Kersi J. Pardiwalla, who retires by rotation and being eligible, offers himself for re-appointment.

#### **Item No. 4 - Ratification of Appointment of Auditors**

To ratify the appointment of Auditors for a period of one year and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of the Ordinary Resolution passed by the Members at the last Annual General Meeting (AGM) held on August 2, 2014, appointing M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, as the Auditors of the Company to hold office from the conclusion of that AGM to the conclusion of the fourth AGM (subject to ratification of the appointment by the members at every AGM held after that AGM), Section 139 of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board of Directors, the appointment of M/s. C. C. Chokshi & Co., Chartered Accountants (Regn. No. 101876W) Ahmedabad, be and is hereby ratified for a period of one year from the conclusion of this AGM to the conclusion of the next AGM and that the Board of Directors be and are hereby authorized to fix their remuneration as may be determined by the Audit Committee in consultation with the Auditors."

### **SPECIAL BUSINESS:**

#### **Item No. 5 - Appointment of Mrs. Datta B. Dave as a Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder and Clause 49 of the Listing agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Datta Bharat Dave (DIN 06990663), appointed as an Additional Director of the Company by the Board of Directors w.e.f. 1st November, 2014 and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from her, proposing her candidature for the office of director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to retirement by rotation.

AND THAT she being the spouse of Shri Bharat N. Dave, CEO - KMP of the Company, will be treated as a Non-Independent Director on the Board of the Company."

### **Notes:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for other person or shareholder. The Proxy form, in order to be valid and effective, must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
- (b) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting. Attendance Slip is attached to the Proxy Form. Members holding shares in dematerialized form are requested to bring their DP ID and Client ID for identification.
- (c) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (d) Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send a Certified Copy of the Board Resolution authorizing their Representatives to attend and vote at the Annual General Meeting.
- (e) The Register of Members and the Share Transfer Books of the Company will remain closed from 5th August, 2015 to 12th August, 2015 (both days inclusive) for annual closing and determining the entitlement of the shareholders' dividend for 2014-15.
- (f) The Dividend on Equity Shares if declared at the Meeting will be paid on 24th August, 2015 or thereafter to those Members whose names shall

appear on the Company's Register of Members on 5th August, 2015; in respect of the shares held in demat form the dividend will be paid to members, whose names are furnished by NSDL and CDSL as beneficial owners as on that date.

- (g) Members holding shares in electronic form may note that the Particulars of their address and Bank Account registered against their respective depository account will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to the depository participants of the members. Members holding shares in physical form and desirous of either registering or changing bank particulars already registered against their respective folios are requested to write to the Registrar and Transfer Agent.
- (h) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from concerned DP and holdings should be verified.
- (i) The Company has designated an exclusive email ID viz. [investorcare@stanroseinvest.com](mailto:investorcare@stanroseinvest.com) to enable investors to post their grievances, if any, and monitor its redressal.
- (j) As a part of its Green initiative in Corporate Governance and Circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for 2014-15 will be sent along with the Notice to all the members whose email addresses are registered with the Company/its Registrar/ Depository Participant(s) unless any member requests for a hard copy of the same. For members who have not registered their email addresses, the Annual Report 2014-15 along with the Notice will be sent in physical. All those members, who have not yet registered, are requested to register their email address with the Registrar/Depository Participants.

The Notice of the 35th Annual General Meeting and the Annual Report 2014-15 will also be available on the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com) for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Ahmedabad for inspection during business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post/courier free of cost.

- (k) Details required to be furnished in terms of Clause no. 49 of the Listing Agreement with the Stock Exchange relating to the Corporate Governance in respect of the Directors being proposed for re-appointment at the ensuing Annual General Meeting of the Company, are given hereunder:

**Shri Kersi J. Pardiwalla**

Shri Kersi J. Pardiwalla, aged 77 years, is a Bachelor of Commerce (B.Com.) and a Fellow Member of the Institute of Chartered Accountants of India (F.C.A.) He possesses long and diverse experience in the field of Finance, Accounting, Taxation, Production, Marketing and Management. He has been with Standard Industries Limited for more than 50 years and relinquished from the position of its Managing Director on 1st August, 2011.

He is on the Board of Standard Industries Limited, Stan Plaza Limited and Vinadeep Investments Private Limited. He is a Member of the Stakeholders' Relationship Committee, Risk Management Committee and Nomination and Remuneration Committee of Standard Industries Limited.

He is holding 300 Equity Shares of Rs.10 each in the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as a Director. Accordingly the Board recommends his re-appointment.

Except Shri Kersi J. Pardiwalla, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no.3.

- (l) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed herewith.
- (m) Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Agency to provide e-voting facility.

Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.

The facility for voting through ballot will be made available at the AGM, and members attending the AGM who have not cast their vote by remote e-

## STANROSE MAFATLAL

voting will be able to exercise their right at the AGM.

### The instructions for members for voting electronically are as under:- (EVSN - 150619007)

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>(i) Log on to the e-voting website <a href="http://www.evotingindia.com">www.evotingindia.com</a>.</li> <li>(ii) Click on "Shareholders" tab.</li> <li>(iii) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID) Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.</li> <li>(iv) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.</li> <li>(v) If you are holding shares in Demat form and had logged on to <a href="http://www.evotingindia.com">www.evotingindia.com</a> and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.</li> <li>(vi) Now, both Demat and Physical holders shall fill up the following details in the appropriate boxes:</li> </ul> | <ul style="list-style-type: none"> <li>(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.</li> <li>(x) Click on the relevant EVSN on which you choose to vote.</li> <li>(xi) On the voting page, you will see "Resolution Description" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.</li> <li>(xii) Click on the "Resolutions File Link" if you wish to view further description/entire Resolutions.</li> <li>(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.</li> <li>(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.</li> <li>(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.</li> </ul> |
|---|---|

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\* Members holding shares in physical form and who have not updated their PAN with the Company are requested to use the first two characters as 'SM' and enter the Folio No. in remaining eight characters in the PAN field.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in the instruction (iii).

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>(vii) After entering these details appropriately, click on "SUBMIT" tab.</li> <li>(viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting on resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</li> </ul> | <ul style="list-style-type: none"> <li>(xvi) If Demat account holder has forgotten the changed password, then Enter the User ID and Captcha Code click on Forgot Password &amp; enter the details as prompted by the system.</li> <li>(xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <a href="https://www.evotingindia.com">https://www.evotingindia.com</a>, click on 'registration' and fill up the required details. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> for receiving their login details. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. The list of accounts should be mailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> and on approval of the accounts they would be</li> </ul> |
|--|--|

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

- able to cast their vote. Before casting vote, they should upload a scanned copy of the Board Resolution/Power of Attorney (POA) in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xix) The voting period begins on Sunday, August 9, 2015 (9:00 am) and ends on Tuesday, August 11, 2015 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, August 5, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after August 11, 2015 (5:00 p.m).
- (xx) The Company has appointed Shri Manoj Hurkat, a Practicing Company Secretary, Ahmedabad (Membership No.- 4287, COP No.- 2574), as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxi) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the meeting period unlock the votes in the presence of at least two witnesses, not in the employment of the Company, and will make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.stanroseinvest.com](http://www.stanroseinvest.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchange.

**Registered Office:** Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Ahmedabad,  
Dated: May 29, 2015

By Order of the Board  
**G. R. SHAH**  
Vice President (Legal) &  
Company Secretary

### ANNEXURE TO THE NOTICE :

**Explanatory statement pursuant to Section 102 of the Companies Act, 2013. [It may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange]**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to item no. 5 contained in the accompanying Notice dated May 29, 2015.

#### **In respect of Item No. 5**

Mrs. Datta Bharat Dave, (DIN 06990663) aged 70 years is an under-graduate. She being associated with certain NGOs for a number of years, possesses a very good experience in General Administration and Management. In view of the mandatory requirements of appointment of a Woman Director on the Board of every listed company under the Companies Act, 2013 and Clause 49 of the Listing Agreement and on recommendation of Nomination and Remuneration Committee of the Board, the Board appointed her as an Additional Director on the Board of Directors of the Company with effect from 1st November, 2014. She being the spouse of Shri Bharat N. Dave, CEO - KMP of the Company, is treated as a Non-Independent Director on the Board of the Company.

Except Stanrose Mafatlal Investments and Finance Limited, she is not holding the position of Director in any other

companies. Except being a member of Company's CSR Committee, she is not holding the position of chairperson / member of any of the committees of the Board of any other companies.

She is holding 18 Equity shares of Rs. 10/- each in the Company.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, her term of office as a Director in the Company expires at the ensuing Annual General Meeting of the Company. The Company has received a Notice from her proposing her candidature for the office of a director of the Company. The board considers that her continued association would be beneficial to the Company and it is desirable to continue to avail the services of Mrs Dave as a Director. Accordingly, the Board recommends her re-appointment.

Mrs. Datta B. Dave, being an appointee and Shri Bharat N. Dave, Chief Executive Officer - Key Managerial Personnel of the Company being her spouse are concerned and interested in the resolution.

None of the other Directors and KMP of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at item no. 5.

**Registered Office:** Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Ahmedabad,  
Dated: May 29, 2015

By Order of the Board  
**G. R. SHAH**  
Vice President (Legal) &  
Company Secretary

# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

CIN: L65910GJ1980PLC003731

Registered Office : Popular House, Ashram Road, Ahmedabad-380 009.

Website: www.stanroseinvest.com Email: info@stanroseinvest.com Tel. 079-26580067/96

Form No. MGT-11

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

Name of the Member (s) : .....

Registered Address: .....

E-mail Id: ..... No. of Shares held .....

Folio No. / Client ID \* ..... DP ID \* .....

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

- (1) ..... of .....  
having E-mail Id : ..... or failing him
- (2) ..... of .....  
having E-mail Id : ..... or failing him
- (3) ..... of .....  
having E-mail Id : .....

\* Applicable for members holding shares in electronic form

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/  
us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on  
Wednesday, the 12th August, 2015 at 10.30 a.m. at 'Banquet Hall', Karnavati Club Limited, S. G.  
Highway, Ahmedabad - 380 058 and at any adjournment thereof in respect of such resolutions as  
are indicated below:

Sr. No.	Resolutions
1	Adoption of Financial Statements
2	Declaration of Dividend
3	Appointment of Shri K. J. Pardiwalla as a Director
4	Ratification of Appointment of Auditors
5	Appointment of Mrs.Datta B. Dave as a Director

Signed this ..... day of ..... 2015

\_\_\_\_\_  
Signature of shareholder

Affix  
15 Paise  
Revenue  
stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.**

CIN: L65910GJ1980PLC003731

*Registered Office* : Popular House, Ashram Road, Ahmedabad-380 009.

Website: [www.stanroseinvest.com](http://www.stanroseinvest.com) Email: [info@stanroseinvest.com](mailto:info@stanroseinvest.com) Tel. 079-26580067/96

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**35th Annual General Meeting - 12th August, 2015**

DP ID No. .... Client ID No. ....

I hereby record my presence at the Thirty-Fifth Annual General Meeting of the Company held at Banquet Hall, Karnavati Club Ltd., S.G. Highway, Ahmedabad 380058 at 10.30 A.M.

Full name of Member (In Block Letters)	Reg. Folio No.
Full name of Proxy (In Block Letters) (to be filled if the Proxy attends instead of the member)	No. of Shares held

Member's/Proxy's Signature .....



*If undelivered please return to :*  
**STANROSE MAFATLAL**  
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Popular House,  
Ashram Road,  
Ahmedabad-380 009.

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